

Annual Report

April 2015 – March 2016

BANFF
CENTRE
FOR ARTS AND
CREATIVITY





The Banff Centre

Operating as Banff Centre
for Arts and Creativity

Annual Report

April 2015 – March 2016

For the purposes of this Annual Report, reference to The Banff Centre shall also include reference to “Banff Centre for Arts and Creativity”, “Banff Centre” and “the Centre” and each reference shall be deemed to have the same meaning.



The Creative Gesutre, photo by Don Lee.

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Note to Reader

The primary objective of this Annual Report is to provide a look-back to the year ended March 31, 2016 in terms of progress in relation to the Centre's 2015-18 Comprehensive Institutional Plan (CIP), which has since been replaced by the Centre's 2016-19 CIP issued in June 2016. The Centre's 2016-19 CIP reflects the Centre's current strategic initiatives established by the Centre as part of its recent comprehensive strategic review and should be referred to in relation to the Centre's forward-looking plans. As mentioned, this Annual Report focusses on progress in relation to strategic initiatives in last year's CIP, some of which have been revised, removed or replaced as part of the Centre's strategic review.



Accountability Statement

Banff Centre for Arts and Creativity’s Annual Report for the year ending March 31, 2016, was prepared under the Board’s direction in accordance with the Fiscal Planning and Transparency Act and ministerial guidelines established pursuant to the Post-Secondary Learning Act. All material economic, environmental, or fiscal implications of which we are aware have been considered in the preparation of this report.

David Weyant, Q.C.
Chair, Board of Governors

Management’s Responsibility for Reporting

Banff Centre for Arts and Creativity’s management is responsible for the preparation, accuracy, objectivity and integrity of the information contained in the Annual Report including the financial statements, performance results, and supporting management information. Systems of internal control are designed and maintained by management to produce reliable information to meet reporting requirements. The system is designed to provide management with reasonable assurance that transactions are properly authorized, are executed in accordance with all relevant legislation, regulations and policies, reliable financial records are maintained, and assets are properly accounted for and safeguarded.

The Annual Report has been developed under the oversight of the institution’s audit committee, as well as approved by the Board of Governors and is prepared in accordance with the Fiscal Planning and Transparency Act and Post-Secondary Learning Act.

Janice Price
President and CEO

Bruce Byford
Vice-President, Administration and CFO

Message from the President and CEO and the Chair of the Board of Governors

In this past year we have been thrilled to see the impact the programs offered by Banff Centre for Arts and Creativity have on artists, leaders and thinkers. In 2015-16, we were proud to support over 4,170 artists and leaders in 84 learning programs.

This year we enjoyed many participant and faculty achievements, including the standout piece *Betroffenheit* (page 12), a dance and theatre work by Kidd Pivott and the Electric Theatre Company, which was developed and produced at Banff Centre. The Centre was proud to host the performance debut of *Betroffenheit* ahead of its premiere at the Pan Am and Parapan Am Games in Toronto in July, 2015. The work continues to tour, to universal acclaim, in the United States and Europe.

Banff Centre held a second, expanded opera program: *Open Space: Opera in the 21st Century* (page 15), a collaboration with Against the Grain Theatre and the Canadian Opera Company (COC). After intense multidisciplinary master classes and rehearsals, two highly innovative opera productions were presented last summer. The first was the premiere of a new work, *Crush*, by James Rolfe and Anna Chatterton, originally commissioned by the COC. The second was *A Little Too Cozy*, a contemporary English adaptation of Mozart's *Così fan tutte*, mounted on a reality show TV set, which proved to be a huge success with audiences and taught the performers how to perform opera in a contemporary way.

In 2015-16, Banff Centre completed an updated five year strategic plan where the mission, vision, visual identity and programmatic agenda was refined for Banff Centre for Arts and Creativity to ensure impact, accessibility and excellence in our training for artists and leaders. This five year strategic plan further clarifies our commitment to advanced artistic learning, to develop Banff Centre as a cultural destination for audiences and to continue excellence in Indigenous arts and leadership training. The annual report for 2015-16 reports on a period of significant creation but also a period of transition at the Centre, where a clarified mission, vision, and programmatic course was outlined, that is both rigorous and impactful.

In addition to being a significant influence on the cultural fabric of Alberta and Canada, Banff Centre for Arts and Creativity continues to reach audiences around the globe while advancing the careers of multi-dimensional artists. In October, 2015, BBC Radio 3 recorded Inuit singer Tanya Tagaq's soundtrack to the silent movie classic *Nanook of the North* (page 13). The performance, recorded at the Centre, was streamed live on BBC Radio 3's website in the United Kingdom and featured on the BBC Radio 3 series 'Magnetic North' (a radio show devoted to music from the north), with full credit to the Centre.

These creative endeavours do not happen by chance. Here at Banff Centre, on the traditional lands of the Blackfoot, Stoney Nakoda, and Tsuut'ina Nations, we draw on generations of creative practice. This area of Treaty 7 territory has a long history as a sacred gathering place, with Elders and families – past and present – who sang, danced, and lived here. We are grateful that the tradition continues today as thousands of artists and leaders come together at the Centre for inspired learning and creativity.

In 2015-16, Banff Centre maintained its position as a creative leader for Canada by continuing to provide exceptional programming, by commissioning and supporting new work, and by fostering strong relationships with educational and cultural partners. With programming in over a dozen artistic disciplines, and participants from 69 countries, in 2015-16, new works created through co-productions, commissions, and residencies at Banff Centre for Arts and Creativity were widely shared with the world through broadcasts, online channels, and print publications.

Despite 2015-16 being a challenging economic time, instrumental support from the Governments of Alberta and Canada as well as strong partnerships with corporate, private, and foundation donors enabled Banff Centre for Arts and Creativity to reach significant program funding goals. We continued to enhance strategic partnerships with creative institutions around the globe, connections with leaders in science, research and social innovation, and moving, with the help of our generous network of donors and funders, toward a goal of ensuring no talented artist or leader is deprived of the opportunity to contribute their gifts to the world due to financial circumstances.

Banff Centre for Arts and Creativity enters its next year well positioned to deliver programs that prepare artists and leaders for successful careers in an increasingly diversified creative economy. Building upon the significant achievements of 2015-16, the Centre will continue to provide relevant programming across all the arts disciplines, support groundbreaking new creative work, build Alberta's knowledge economy, and contribute to Canada's artistic and cultural capital.

The dedicated team of 997 employees (of which there are 584 Albertans) and 940 volunteers at Banff Centre are excited to continue to build on the Centre's eight-decade history to assume an international leadership role as the world's foremost centre for the exploration of creativity across disciplines.



Janice Price
President and CEO



David Weyant, Q.C.
Chair, Board of Governors



Sleeping Buffalo Mountain, photo by Don Lee.

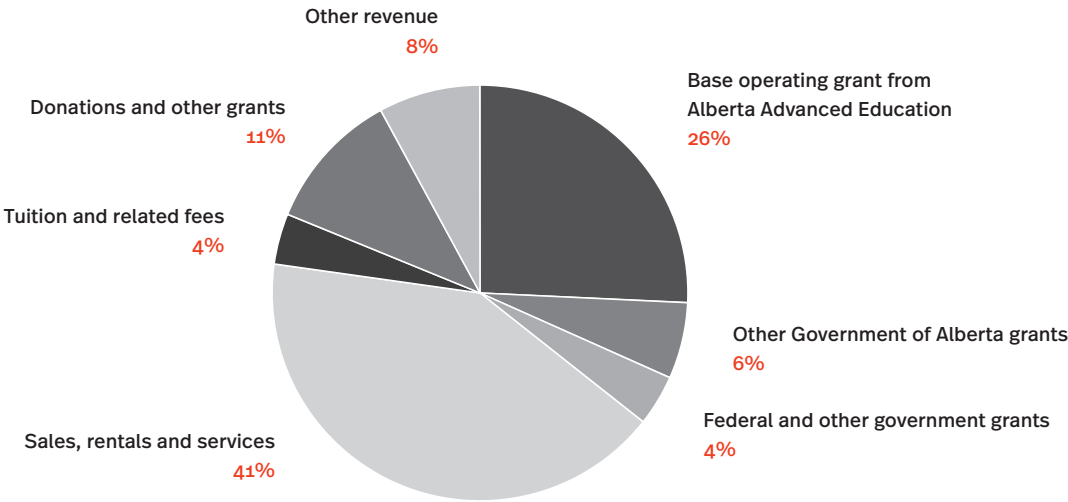
Operational Overview

The 2015-16 Annual Report reflects progress in relation to the 2015-18 Comprehensive Institutional Plan. Significant work has been underway to further refine the institutional strategy, which is reflected in the 2016-19 Comprehensive Institutional Plan.

Sources of Revenue

Year Ended March 31, 2016.

Base operating grant from Alberta Advanced Education	16,802,000	26%
Other Government of Alberta grants	3,988,000	6%
Federal and other government grants	2,457,000	4%
Sales, rentals and services	26,844,000	41%
Tuition and related fees	2,558,000	4%
Donations and other grants	6,928,000	11%
Other revenue	5,102,000	8%
	64,679,000	100%



Legislative Authority

Banff Centre for Arts and Creativity operates under the authority of the Post-Secondary Learning Act, to which amendments were proclaimed in December, 2008.

Our Mandate

The Banff Centre is a public, board-governed, specialized Arts and Culture Institution operating under the authority of the *Post-Secondary Learning Act* of the Province of Alberta.

The Banff Centre provides non-parchment programs in the arts and creativity, and in leadership development, mountain culture and the environment.

As a specialized Arts and Culture Institution, drawing participants from Alberta, across Canada and globally, The Banff Centre is Alberta's nationally and internationally renowned centre of excellence in creativity and the arts.

The Banff Centre's core area of specialization is the Arts, offered at the professional, post-graduate level. Programs are characterized by applied research, independent study, creation, collaboration, production, performance and dissemination of new work.

Arts programs are offered in a range of Performing, Visual and Literary Arts including, but not limited to: Music, Audio Engineering, Theatre Production and Design, Dance, Opera, Aboriginal Arts, Painting, Digital Film and New Media, Photography, Ceramics, Printmaking, Sculpture, Poetry, Narrative and the Spoken Word. As an organization specializing in creativity, The Banff Centre embraces innovation in all its disciplines.

Banff Centre programs draw on the multidisciplinary strengths of the peer creative community that distinguishes it as a centre of excellence in Alberta, Canada and the world.

As with the Arts, the balance of program areas at The Banff Centre focuses on creative approaches. Leadership Development offers innovative programs drawn from arts disciplines and the natural environment that support the development of leaders in Aboriginal communities, and in the public, private and social sectors.

Programming in Mountain Culture and the Environment fosters the development of creative solutions to global environmental and sustainability concerns, through programs and symposia that explore issues relating to mountain areas and communities in Alberta, Canada and internationally. Mountain Culture programs utilize the arts, for example writing, film and photography, to explore mankind's relationship with the world's mountain places.

The Banff Centre also conducts applied research and fosters innovation in a variety of program areas, both independently and in partnership with other institutions and the private sector.

The primary delivery mechanism for programs at The Banff Centre is through on-site programs, summits, think-tanks and conferences supported by a variety of services including the Library and Archives with its specialty fine arts collections. Participants are also provided with room and board, medical and counselling services, and recreational facilities and programs. The Banff Centre partners with other post-secondary institutions, cultural organizations and the private sector.

The Banff Centre offers a retreat venue for educational and professional development focused conferences, many of which are enhanced by access to the Centre's programming expertise.

The Banff Centre provides cultural, educational and recreational resources to our participants, as well as to our employees, the Bow Valley and Alberta. By providing diverse cultural and learning opportunities for Albertans and others, the Centre enriches and advances the quality of life in the local community and throughout Alberta.

The Banff Centre also offers a dynamic international learning environment contributing to building careers and skills in the arts and across all sectors, developing leaders for the Alberta economy and Alberta's Aboriginal communities. The Banff Centre develops leaders for cultural industries throughout the world. Through the dissemination of creative ideas and new work, The Banff Centre ensures that its innovative programs contribute to building the knowledge economy and to the development of culturally vibrant communities.

Programs

Designated by the Minister of Advanced Education as a Specialized Arts and Culture Institution, Banff Centre for Arts and Creativity occupies a unique niche among Alberta's public post-secondary institutions, providing non-parchment programs at the professional, post-graduate level. Drawing participants from Alberta, across Canada and globally, Banff Centre for Arts and Creativity serves the needs of learners with prior academic and professional experience by providing arts and leadership programming, and opportunities in applied research.

Banff Centre for Arts and Creativity welcomes artists, leaders, researchers, conference guests, and more than 80,000 audience members to its campus every year. Through multidisciplinary programming Banff Centre for Arts and Creativity provides artists, leaders and researchers with the support they need to think dynamically, create new work, and develop solutions to complex artistic social and institutional issues.

Banff Centre for Arts and Creativity allows individuals to thrive at the intersection of art and ideas. The exploration of creativity and innovation across disciplines and without boundaries supports our mission to inspire artists and leaders to make their unique contributions to society. Banff Centre drives this mission through innovation in three areas: Arts, Leadership, and Conferences.

Arts (3,000 Artists)

Over 80 arts programs are offered each year for professional artists, from recent graduates to artists at the forefront of the international scene, in a wide range of artistic disciplines.

Banff Centre for Arts and Creativity offers artists a variety of developmental experiences to advance their work and careers, and also commissions, produces and disseminates their work. Collaboration, experimentation and production of new work, along with dissemination technologies, is fostered in music, dance, opera, writing for page, screen and stage, poetry, ceramics, painting, sculpture, printmaking, digital art, film, media and audio art, Indigenous art, as well as training in audio engineering, theatre production and design.

Our year-round programs are flexible to meet the needs of participants and visiting artists. They include: thematic and self-directed residencies, workshops and intensives, practicum programs, the Leighton Artists' Colony (an artist creation space) and symposia.

Last summer, outdoor Shaw Amphitheatre performances featured artists including the Art of Time Ensemble, Royal Wood, Jens Lindemann, and Vijay Iyer. Other headline artists and writers performing or presenting included the performance debut of *Betroffenheit* by Crystal Pite and Jonathon Young, author Geoff Dyer, the contemporary operas *Crush* and *A Little Too Cozy*, L-E-V Dance Company, *Séance Fiction* visual arts exhibition, and an interview between dancer and choreographer Mark Morris with *New York Times* critic John Rockwell.

The Banff Mountain Film and Book Festival celebrated its 40th anniversary in 2015 with 24 sold-out shows and a record-breaking attendance of almost 20,000 people. Fifty-two filmmakers attended the Festival, along with over 30 guest speakers including award-winning authors, photographers, and cutting-edge adventurers from around the world. Over 350 films were entered into the 2015 Banff Mountain Film Competition from 34 countries. There were 89 finalists were selected to be screened at the Festival, which featured over 50 North American and world premieres. In 2015 there was also quality literary work, with 139 books entered into the Banff Mountain Book Competition from 11 countries.

Leadership (1,700 Leaders)

Banff Centre for Arts and Creativity has a 60-year history of creating leadership programs, summits, and training opportunities for Canadian leaders across disciplines and sectors. Banff Centre for Arts and Creativity inspires leaders to make a meaningful difference for their organizations, their communities, and their personal and professional development.

Banff Centre has worked for over 30 years in Indigenous leadership and teachings. As the Centre reflects on the work of 2015-16, Leadership Programming is proud of the 235 Indigenous leaders that passed through the Centre's eight Indigenous programs. These programs included Best Practices in Indigenous Business and Economic Development, Indigenous Strategic Planning, Indigenous Women in Leadership, Inherent Right to Indigenous Governance and Indigenous Leadership and Management Development. Looking forward to 2017, the Centre is committed to continue its work growing Indigenous leadership programs, with a view to adopting meaningful learnings from the Truth and Reconciliation Commission.

In the last year, Banff Centre for Arts and Creativity hosted its first Social Innovation Residency, *Getting to Maybe*, and as part of the Peter Loughheed Leadership Program, appointed Professor John Borrows, an internationally respected scholar at the forefront of Indigenous legal education, as Nexen Chair in Indigenous Leadership.

The Centre's Leadership Programming aspires to be a global leader in programs and summits on topics of national and international importance. Last year Leadership Programming hosted a new program, *ALT/Now: Economic Inequality*, offering leaders a unique opportunity to collaborate in bringing about a shift towards an economy that generates opportunities for people to prosper across the economic spectrum.

Leadership Programming continues to develop mid-career and emerging leaders who are focused on building strong communities, and influencing positive change at a system-wide level.

Conferences (Over 500 Conferences)

Banff Centre for Arts and Creativity specializes in convening impactful meetings, conferences and summits that are enhanced by access to the Centre's unique arts, leadership and conference programming expertise. As a growing area for Banff Centre, Conferences has undergone a product development initiative that further engages the creative community of Banff Centre for Arts and Creativity, differentiates the offering from other conference providers, and places Banff Centre at the forefront of thought-leadership in the conferences industry.

Banff Centre hosts over 500 conference groups a year, serving more than 20,000 attendees from all around the world. A sample of conference groups held last year include Consulate General of Morocco, Design Futures Council World Design Forum, Alberta Innovates, Federation of American Societies for Experimental Biology, Canadian Arts Summit, RCMP Fraud and Organized Crime, Alberta Teachers' Association, and Alberta Rural Education Symposium.

Conferences will continue to seek to differentiate their market-leading product and service offerings by creating an experience that is both distinctive and aligned with the Centre's educational goals and overall brand. In addition to contributing to institutional priorities, Conferences at Banff Centre for Arts and Creativity provides significant financial stability to Banff Centre for Arts and Creativity, which in turn makes it possible to support participants in arts and leadership programs.

Goals, Priority Initiatives, Expected Outcomes and Performance Measures

This section provides a look-back to the year ended March 31, 2016 in terms of progress in relation to the Centre's 2015-2018 Comprehensive Institutional Plan (CIP), which has since been replaced by the Centre's 2016-2019 CIP issued in June 2016. The Centre's 2016 -2019 CIP reflects the Centre's current strategic initiatives established by the Centre as part of its recent comprehensive strategic review and should be referred to in relation to the Centre's forward-looking plans.

Content Creation and Dissemination

Goal

The work created at Banff Centre is shared on multiple platforms that include a new website, radio, TV, digital and print publishing, as well as in venues and exhibition spaces at Banff Centre for Arts and Creativity and on tour in Alberta, Canada and around the world.

Progress

- **Web:** The new updated and redesigned Banff Centre website, banffcentre.ca, was launched on September 22, 2015, with the intent to showcase the diversity of Banff Centre for Arts and Creativity digitally. The website is mobile friendly to allow easier access to participant programs, events and conferences. It also serves to decentralize web content creation while showcasing the creative process and art created at the Centre.
- **Banff Centre Radio:** The online radio strategy at Banff Centre for Arts and Creativity evolved with podcast episodes being disseminated via banffcentre.ca. Banff Centre's Basecamp podcast hit over 2,000 subscribers in 2015. Best of the Fest episodes featuring Banff Mountain Film and Book Festival interviews with guests Alex Honnold and Majka Burhardt are among the most popular episodes to date.
- **Banff Centre TV:** Banff Centre Talks and short documentary segments that highlight the work of artists and leaders at the Centre continue to be developed and are disseminated via banffcentre.ca and on Banff Centre for Arts and Creativity's social media platforms. Banff Centre Talks 2015 highlights included an interview with author Salman Rushdie and a talk with Eli Horowitz, managing editor of *McSweeney's*, on the future of digital-based, interactive storytelling. Both interviews were filmed by the Media and Production team for dissemination via YouTube. This team included participants from the Centre's practicum training programs. Practicum participants are mentored by staff and assist on projects from inception and development, through to completion and delivery.
- **Banff Centre Content:** Over 100 short videos, artist profiles and talks have been produced with artists including Alex Cuba, Crystal Pite, Mark Morris, Todd Saunders and others. Banff Centre for Arts and Creativity's four podcast programs (Banff Centre Talks, Best of the Fest, Basecamp, Writer's Range), were streamed online nearly 70,000 times. On iTunes, close to 22,500 episodes were downloaded for offline listening. In total, about 4,800 people regularly subscribed to at least one program. The Centre's podcast RSS feeds were polled over 88,000 times, and 39,000

of those were unique hits. Basecamp (2,900 subscribers) was the most popular podcast, followed by Best of the Fest (1,200 subscribers).

- **Banff Centre Press:** *The Seers Catalogue*, a digital Banff Centre Press commission by Giller-award-winning author Sean Michaels, was written during a residency in December 2015. Participants included Oscar-nominated animator James Braithwaite, Stephen Asher and Patrick McEown. The interactive fiction is scheduled to be released later in 2016.
- **Digital Narratives:** This was a multiplatform, interdisciplinary, creation residency pilot which ran in May, 2015, open to artists from all genres, including (but not limited to) screenwriters, documentary makers, animators and graphic novelists working within the digital landscape to produce digital stories that employed interactive technologies exploring and creating new forms of innovative narrative. This is one of the only residencies in North America focused on the development of app-based, multiplatform novels and works of nonfiction. A second edition of Digital Narratives was completed in May, 2016.
- **Digital Storytelling Creation:** Emergence Lab, 2015, was an industry-based bilingual creative research lab dedicated to new and emerging forms of storytelling in partnership with the Institut français. This five-day lab brought together multimedia artists and technicians from both France and Canada to explore the possibilities of multiplatform storytelling. Participants included Oscar-nominated animator James Braithwaite, Stephen Asher and Patrick McEown. Jonathan Belisle has been confirmed as program director for 2016.
- **Visual + Digital Arts:** The Centre commissioned and officially launched a public artwork by Tyler Los-Jones, *held above our heads in stone* (2015), featuring “stones” created from fiberglass, foam and paint. This is the first in a series of public art commissions by emerging artists for Banff Centre’s Walter Phillips Gallery.
- **Grow Partnerships for Co-Productions and Touring:** Banff Centre continues to build partners for the commissioning, development, production, presentation and touring of new work. *Betroffenheit*, an original dance and theatrical work produced by Kidd Pivot and the Electric Theatre Company, was developed at the Centre shortly before its official world premiere at the Pan Am Games in Toronto. The Centre also worked in collaboration with Against the Grain Theatre in Toronto to produce *A Little Too Cozy*, a contemporary English adaptation of Mozart’s *Così fan tutte*. Other commissioning partners included Sadler’s Wells (UK), On the Boards and Seattle Theatre Group (U.S.) through the support of Glenn Kawasaki, National Arts Centre (Ottawa), the CanDance Network, Canadian Stage, L’Agora de la Danse (Montreal), Brian Webb Dance Company, and Dance Victoria.
- **Banff Playwrights Colony:** This program has ongoing partnerships with Bruntwood Prize for Playwriting based at the Royal Exchange Theatre in Manchester, the National Play Network in the U.S., Cape Farewell’s Sea Change Project for the play *Slime* and the Literary Managers and Dramaturgs of America.
- **Banff Mountain Film and Book Festival:** The Banff Mountain Film and Book Festival celebrated its 40th anniversary in 2015. Eighty-nine finalists were chosen to be screened over the nine days and the 2015 Banff Mountain Film Competition received more than 350 entries this year. The Banff Mountain Book Competition received 139 books into competition and successfully launched a new award, the Mountaineering Article Award aimed at recognizing short-form writing in the genre

of mountain literature. After the Festival in Banff, content was shared with 390,000 people at over 840 screenings in 40 countries around the world for the Banff Mountain Film Festival World Tour.

- **International broadcast:** In October, 2015, BBC Radio 3 recorded a Banff Centre performance by Inuit singer Tanya Tagaq’s soundtrack to the silent movie classic *Nanook of the North*. The performance was streamed live on BBC Radio 3’s website in the UK and featured on the BBC Radio 3 series “Magnetic North,” which is devoted to music from the north, with full credit to Banff Centre for Arts and Creativity.

Arts Programming

Goal

The Centre plans to create rich development opportunities for artists at every stage of their career, enabling them to take risks working across disciplines and with new technologies, to collaborate with one another and to conceive, develop, produce and present new work.

Progress

- More than 500 performances at Banff Centre for Arts and Creativity in locations on and off campus included new commissions, creations, premieres, debut performances and on-stage interviews.
- With the training of classical musicians as a cornerstone of arts programming, in 2015-16, the Centre continued its in-depth training of young classical musicians in the Summer Arts Festival, which highlighted seven classical music programs and illustrious faculty such as Gilbert Kalish, Mark Steinberg, and John Luther Adams. Performances of masterworks such as Mozart’s Second Piano Quartet and Haydn’s Symphony No. 88 were juxtaposed with new works including the premiere of participant composer Jared Miller’s Bloom for solo cello and mixed flute choir. We also welcomed back international pianist Pedja Muzijevic in his second thematic program aimed at presenting classical music today and in the future. Global artist faculty for this program included Phyllis Chen and Johnny Gandelsman. The Centre also announced Steven Schick and Claire Chase as co-artistic directors of Summer Classical Music at Banff Centre commencing with the 2017 season, after the 10 years of visionary tenure of Barry Shiffman. Classical programming will continue to have a strong chamber music focus in addition to reflecting new approaches to the development of classical musicians, both from a skills-training and also a career development perspective, along with enhancing the Centre’s commitment to mentorship, performance and recording opportunities.
- The Banff Mountain Film and Book Festival celebrated its 40th anniversary in 2015 with 24 sold-out shows and a record-breaking attendance of almost 20,000. Fifty-two filmmakers attended the Festival, along with over 30 guest speakers including award-winning authors, photographers, and cutting-edge adventurers from around the world. Over 350 films were entered into the 2015 Banff Mountain Film Competition from 34 countries. There were 89 finalists were selected to be screened at the Festival, which featured over 50 North American and world premieres. In 2015 there was also quality literary work, with 139 books entered into the Banff Mountain Book Competition from 11 countries.

- k.d. lang spent two productive months at the Centre in the spring of 2015, largely working in the Leighton Artist Colony, composing new lyrics for her next album and mentioning a young Indigenous artist. She also interacted with artists and programs in several disciplines across the campus.
- In April, the Banff Playwrights Colony hosted a record number of playwrights from across Canada and internationally. Participants included Janet Munsil, whose creation *I Have Seen Beautiful Jim Key* premiered with Intrepid Theatre in Victoria, and Mieko Ouchi, whose creation *I Am For You* was performed at the National Arts Centre's English Theatre in Ottawa.
- Literary Arts launched a new slate of programming nationally including new talks and residencies including Crime Writing, a Memoir Residency, and a special Banff Centre Talk featuring novelist and Booker Prize winner Salman Rushdie.
- In May, the exhibition *Séance Fiction*, opened at the Walter Phillips Gallery to record-setting attendance. *Séance Fiction* is an exhibition of contemporary art by Canadian and international artists including Guy Maddin (Winnipeg, Canada), Hannah Doerksen (Calgary, Canada), and Heather and Ivan Morrison (Brighton and Arthog, United Kingdom). Combining video, sculpture and site-specific installations *Séance Fiction* explores the idea that artists act as mediums to reinterpret both the past and future and, therefore our present.
- Banff Centre held its third interdisciplinary Children's Festival featuring award-winning Canadian visual artist Shary Boyle and singer/songwriter Christine Fellows (theme: Explore the Imagination) in May, 2015. The festival welcomed an audience of more than 3,000 people and engaged community partners in bringing visual and performing arts to the next generation of audiences.
- Led by the vision of new artistic director of Dance, Emily Molnar, Banff Centre for Arts and Creativity welcomed the world-class L-E-V Dance company from Israel for a Creation Residency and also led a workshop for emerging dancers. L-E-V was in residence to develop a new work titled *OCD Love*. The piece was given a work-in-progress showing in the Margaret Greenham Theatre. United Kingdom (U.K.) dance company Hofesh Shechter Company also hosted a week-long dance residency for professional dancers with an interest in innovative approaches to the choreographic process.
- *Betroffenheit*, an original dance and theatrical work produced by Kidd Pivot and the Electric Theatre Company, was one of the highlights of 2015. The piece was developed at the Centre through a number of creation and production residencies beginning early in 2014. Banff Centre for Arts and Creativity was delighted to present this work for the first time in Banff, shortly before its official world premiere at the Pan Am Games in Toronto. Tour locations for *Betroffenheit* for the 2015-2016 season included the cities of Vancouver, Ottawa, Toronto; London, U.K.; Vienna, Austria; and Dallas and Phoenix, U.S. Other international dates continue to be added to the tour.
- While Canadian choreographer Crystal Pite was at the Centre working on a new production over a number of months, she agreed to offer a new creative process workshop in early June: *Crystal Pite: Craft of Embodiment*. The workshop enabled five creators to work with Crystal Pite and a small company of dancers (from Arts Umbrella in Vancouver), in a master workshop that attracted some of the highest application numbers Performing Arts has seen in many years.

- The World Premiere of the Indigenous dance commission *Backbone*, a new work created within the Indigenous Dance Residency under director Sandra Laronde and in co-production with her company Red Sky Performance, was performed in August, 2015.
- *Open Space: Opera in the 21st Century* was the second year of opera programming in collaboration with Against the Grain Theatre and the Canadian Opera Company. The program brought in world-class faculty including Russell Braun, Anna Chatterton, Judith Forst and Daniel MacIvor to work with participants on voice, acting, and movement, and presented two highly innovative opera productions during the summer of 2015. The first was the premiere of a new work, *Crush*, by James Rolfe and Anna Chatterton originally commissioned by the COC, and the second was *A Little Too Cozy*, a contemporary English adaptation of Mozart's *Così fan tutte*, mounted on a reality show TV set, teaching participants about the requirements of contemporary opera, including performing in non-traditional spaces.
- An interdisciplinary residency, Convergence Residency: Electronic Music + Visual Art, took place in March, 2016. This residency was led by artistic director, Patti Schmidt, with lead faculty Robin Fox (Australia) and Uwe Schmidt "Atom™" (Germany). The residency welcomed artists working in rhythmic and experimental electronic music realms, digital visual artists and those pursuing work that creates synergies between sound, music and art. Renowned artist Dasha Rush (Russia) was also in attendance.
- Story Summit 2016 took place in March, 2016. This summit allowed participants to gain knowledge to transform their creative and technological understanding in multiscreen, multiplatforms and transmedia. Seventeen renowned speakers and presenters joined 92 participants to discuss new approaches to storytelling using technology, and creating sustainable and innovative production and business models of media content.

Notable creative works commissioned and/or developed at the Centre in 2015-16, and disseminated through national and international partnerships include:

- **Ballet Kelowna: A Mixed Repertoire:** Banff Centre partnered with Ballet Kelowna for the inclusion of three Clifford E. Lee Award presentations in their spring British Columbia tour by supplying costumes and other production support. The three works were titled *Lee Dances*, a presentation of excerpts from award-winning works created for the Clifford E. Lee Choreography Award at Banff Centre for Arts and Creativity. Shawn Hounsell's *Creaturehood* (1996), Simone Orlando's *Winter Journey* (2006) and Heather Myers's *Dedications* (2009) were presented. This performance was in honour of long-time Banff Centre Dance program director and seminal Canadian choreographer and theatre director Brian Macdonald.
- **Nufonia Must Fall:** Banff Centre co-produced *Nufonia Must Fall* with Kid Koala in 2014 which premiered at Toronto's Luminato Festival before embarking on an international tour in Europe, South America and Australia through to February, 2016.
- **L-E-V Dance:** The *OCD Love* tour travelled to Germany, England, the U.S. and the Netherlands after a residency at Banff Centre and premiere of the work in June, 2015.
- **Theatre Replacement: Foreign Radical:** This theatre production was presented in Vancouver in April, 2015, following a Banff Centre residency. It was also awarded the critic choice award at the 2015 Jessie Richardson Theatre Awards.

- **Company 605: Vital Few:** This is a co-production of the CanDance Network Creation Fund, Banff Centre for Arts and Creativity, the Vancouver International Dance Festival, Dance Victoria, and DanceWorks. The creation was also supported by Canada Council for the Arts.
- **Frederick Grave – Nouvelle Creation:** A new CanDance commission involving Banff Centre for Arts and Creativity, Festival Transamerique, the National Arts Centre and the PuSh International Performing Arts Festival.
- **Out Innerspace Dance Theatre:** Banff Centre partnered with Major Motion Picture in Vancouver, a company that has been mentored by choreographer Crystal Pite, to produce this theatrical production that included technical experimentation with microphones, video projection and cameras.
- **Helen Lawrence:** Written by Chris Haddock, *Helen Lawrence* is a co-production with Canadian Stage, Arts Club Theatre Company, Vancouver, Banff Centre for Arts and Creativity, Stan Douglas Inc. and Ottawa's National Arts Centre, with contributions from Arts Partners in Creative Development, Presentation House Gallery, BC Arts Council, and Canada Council for the Arts. The last two performances took place in October, 2015, at the Brooklyn Academy of Music, New York. It was created at the Centre in 2014 and continues to tour.
- **Banff Centre Press:** Banff Centre Press published *Toward.Some.Air.* and *Restorying Indigenous Leadership*, 2nd edition, and reprinted *Thing Feigned or Imagined*.
- **New Music:** Numerous CDs were recorded by the Centre in 2015-16, including works by Hinrich Alpers (Germany); Eve Egoyan (Canada); Helena Basilova (Netherlands) which was funded by the Maria Francisca Josepha Brouwer Scholarship Endowment fund for Dutch Musicians; Lyrebird Piano Trio (Australia); Reuben and the Dark (Canada), and Dover String Quartet (USA) - BISQC CD Recording Prize. Additional highlights include work with both established and emerging artists participating in music residencies. There were over 50 studio and live recordings completed during the Banff International Workshop in Jazz and Creative Music (August, 2015) and Independent Music Residency (October, 2015).
- **Banff Playwrights Colony (participants work):**
 - Janet Munsil's *I Have Seen Beautiful Jim Key* premiered with Intrepid Theatre in Victoria.
 - Pamela Sinha's *Happy Place* premiered at Soulpepper Theatre in Toronto.
 - Severn Thomson's adaptation of *Elle* premiered at Theatre Passe Muraille in Toronto.
 - Evan Placey's *Scarberia* premiered at Young People's Theatre in Toronto.
 - Colleen Wagner's *The Living* premiered at this year's Summerworks Festival in Toronto.
 - Mieko Ouchi's *I Am For You* was performed at the National Arts Centre's English Theatre in Ottawa.
- **Spell To Bring Lost Creatures Home:** A collaboration between Shary Boyle and Christine Fellows, created in part at Banff Centre for Arts and Creativity, culminated in a national tour, with stops in Yukon, Newfoundland, Ontario, British Columbia, Northwest Territories, Manitoba and Alberta.

Leadership Programming

Goal

The Centre is recognized globally in the development of leaders, and as a convener of summits for leaders on topics of regional, national and international importance.

Progress

- The Centre launched *Getting to Maybe: a Social Innovation Residency*, with Banff Centre partner Social Innovation Generation from Waterloo Institute for Social Innovation and Resilience (WISIR) and with support from Suncor Energy Foundation. The four-week long residency attracted over 135 applications, and welcomed 28 leaders from across sectors and across Canada, focusing on advancing the work in key areas such as the environment and reconciliation.
- A newly designed *Leading by Design* program (a potential flagship offering within the Centre) was launched in May.
- John Borrows was appointed as the new Nexen Chair in Indigenous Leadership. John is Anishinabe/Ojibway and a member of the Chippewa of the Nawash First Nation in Ontario, Canada. He is a world-renowned scholar and educator, specializing in Constitutional, Indigenous, and Environmental law.
- In 2015-16, there were 1,700 participants through the Centre in various multisector open enrolment and customized Leadership Programming offerings. As part of Leadership Programming, Indigenous Leadership and Management welcomed 253 Indigenous leaders from 120 unique communities to Banff Centre's open enrolment programs: Best Practices in Indigenous Business and Economic Development, Establishing Institutions of Good Governance, Indigenous Leadership and Management Development., Indigenous Strategic Planning, Indigenous Women in Leadership, Inherent Right to Indigenous Governance, Good Governance for Councils and Boards, and Negotiation Skills Training.
- Leadership Programming also delivered a further 10 customized Indigenous Leadership and Management programs to 10 additional communities in 2015-16.
- Last year the Centre offered a new multi-year project, *ALT/Now: Economic Inequality*, offering leaders a unique opportunity to advance their leadership capacity while collaborating to bring about a shift towards an economy that generates opportunities for people to prosper across the economic spectrum.
- Funding remains strong to support access for Indigenous and not-for-profit leaders in open enrolment programs, with funding agreements being renewed and/or expanded with donors such as Horizon North and Shell, and several anonymous donors, plus new funds being confirmed through the Edmonton Community Foundation and the Flanagan Foundation.
- The initial residency of the year-long Toronto Arts Council initiative was launched. The Centre welcomed top artists and leaders in Banff for eight days to help set the foundation for personal learning and development, as well as support participants' own project-based work

in their community. Elder Corleigh Powderface, a Stoney Elder, was a special guest throughout the residency.

- Leadership Programming designed and delivered a multi-day orientation program for the inaugural cohort of the Peter Lougheed Leadership College at the University of Alberta. It is planned to repeat this learning experience each Fall for each new cohort, helping to build a community of leaders who experience the full gamut of the Peter Lougheed Leadership Program.
- A new program, *New Fundamentals: Leadership for the Creative Ecology*, with two on-site residencies, was launched in March, 2016. Based on over a year of engagement with leaders across Canada, the program prepares creative and cultural leaders to build new institutions and renew existing institutions. Through the program, including online components, leaders advanced personal, institutional, and community objectives using models aligned with the unique qualities and characteristics of the creative sector.

Campus Renewal

Goal

To attract local, provincial, national and international audiences to first-class facilities, enabling artists, leaders, faculty and staff to convene, learn, advance and create. Participants can imagine the next big ideas and transformative innovations, experiment across disciplines and sectors and develop models for community engagement.

Progress

- Campus Master Plan: Phase one of the Campus Master Plan was completed.
- Lloyd Hall Renovation: full-scale renovation of a primary residence building is on track for construction to commence in September, 2016, with completion in May, 2017.
- Annual Capital Plan: Building assessment reports by Alberta Infrastructure are now complete for the Max Bell, TransCanada Pipeline, Jeanne and Peter Lougheed, Lloyd Hall and Farrally Hall buildings. These buildings now have an accurate Facility Condition Index rating. Banff Centre for Arts and Creativity will use this information to prioritize the 2016-17 capital plan.
- See also Capital Plan section.

Conferences

Goal

To help advance individuals and organizations through the delivery of inspiring service and creative design of conferences; to increase Banff Centre's profile by attracting influential conferences; to increase the financial sustainability of Banff Centre by increasing conference revenue.

Progress

- Post stay guest surveys, conducted by UniFocus, consistently show 95% customer satisfaction scores and overall guest satisfaction scores at 91.2%.
- Banff Centre on-site surveys conducted by the director of Guest Services with each meeting group, have achieved an average 4.4 score out of 5.
- The newly established Meeting Architect role has been active since March, 2015 and the development of new meeting/event products and tools have been achieved. A conference toolkit has been developed including: Conference Connectors, Conference Optimum, Conference Facilitate, Conference Cultural Experiences, and Conference Measurement. These tools integrate arts and leadership programming, in addition to meeting design, to improve clients' outcomes.
- There has been enhanced collaboration with Travel Alberta to expand international conference markets and a focus on expanding partnerships with international Meeting Architecture suppliers.

Alignment with Advanced Learning System-Level Outcomes

Outlined below is a report by Banff Centre on work in line with the Advanced Education's system-level areas of focus.

A. Access and Quality

As a specialized Arts and Culture Institution offering non-parchment programs at the professional, post-graduate level, retention is not an issue for Banff Centre for Arts and Creativity. The Centre attracts top creative talent to Alberta, and provides Albertans with a globally competitive post-graduate arts facility. From year to year, between 25% and 35% of all participants attending programs at Banff Centre come from outside Canada. With small programs and individualized mentoring, the number of qualified applicants exceeds the number of participants who are adjudicated and enrolled into programs, by margins of up to 9:1 in some programs.

- The emphasis on learner-centred programs requires access to excellent dedicated facilities. These include 46 Music Studios and 34 Visual Arts Studios with 24/7 access for artists, three film editing suites, three dance studios, two recording studios, two theatres and a concert hall.
- The number of bedrooms on campus is just over 400.
- The terms of Banff Centre for Arts and Creativity's land lease from Parks Canada and the federally approved Area Redevelopment Plan limit the building footprint on the campus and dictate the percentage of natural habitat that must be preserved.
- The development by-laws of the Town of Banff limit build-out on campus.

ACCESS GOAL #1

Increase access to technology-based programs in media production across TV, film, music, radio, press and digital media.

Progress

Recognizing that excellence in research, innovation and commercialization drives Alberta's future success, and understanding that technology is driving global connectivity, the intent is to increase access to Banff Centre for Arts and Creativity's technology-based programs, while expanding the program offerings in order to better meet market demand. Tomorrow's workforce requires the skills valued in a diversified economy, such as 3D, HDTV, multimedia, and audio and sound recording. The priorities of Alberta Innovates – Technology Futures, particularly in the Information and Communications Technology (ICT) Leadership and Capacity areas, highlight the importance to Alberta of research and innovation in the ICT area, and especially in digital media. Banff Centre for Arts and Creativity has a long history of engagement and expertise in this area, working with multiple organizations to develop and foster partnerships with small and medium enterprises.

In 2015-16, the Centre provided \$1,672,235 in financial support for arts technology-based scholarships and programs.

In order to expand program offerings to include internet streaming and radio broadcasting, as well as digital media production and post-production, the Centre strengthened existing relationships with the Banff World Media Festival, the CBC, Digital Alberta and Alberta's new Creative Hub, while continuing to foster partnerships with National Geographic, NBC, and Shaw Communications. Strategies to expand access are focused on raising sufficient funding to increase the number of practicum positions available for post-graduates in these cultural industries, including researchers.

ACCESS GOAL #2

Increase access to our programs for Indigenous artists and leaders.

Progress

Since its inception in 1993, the Indigenous Arts program has provided opportunities for Indigenous artists to learn about, create and produce contemporary work with cultural integrity and artistic merit. Since 1974 Indigenous Leadership and Management has used an innovative and consultative approach for program design, development and delivery.

As Banff Centre for Arts and Creativity is committed to ensuring that First Nations, Metis and Inuit learners and communities have greater access to arts, cultural and leadership development, our goal is to aggregate and enhance the current programming in both arts and leadership under the umbrella of a holistic and cross-disciplinary Centre for Indigenous Arts and Leadership. Relationships with Treaty 7 First Nations, and in particular Treaty 7 youth groups, are a priority for the Centre. There is a commitment to continue to build ties and find meaningful ways for support and accessibility to Banff Centre programming.

Indigenous Arts programming and access to these programs by Indigenous artists received a boost in support thanks to RBC Foundation, whose support will continue until the 2018-19 fiscal year. In addition, funding for access to Leadership Programming and Indigenous Leadership and Management open enrolment programs by Indigenous and not-for-profit leaders remained strong.

In 2015-16, there were 420 participants in Indigenous Leadership and Management programs, and the Centre provided approximately \$75,000 in scholarships to Indigenous participants. Programs in Indigenous dance, music, literary and visual arts were offered in response to the needs expressed by Indigenous communities across Alberta and Canada and all participants in those programs received 100% scholarship.

In August 2015, Banff Centre hosted an Indigenous-focused summit, *Cultures-Based Innovation: Indigenous Knowledge and Creative Initiatives* with a focus on Indigenous and marginalized communities in the Americas and Caribbean. This summit incorporated interaction with local Stoney Nakoda community leaders, and the Indigenous Dance Residency program, as well as project-based work in support of innovations based on tangible and intangible cultural heritage in which communities are the direct sources and beneficiaries of their own innovations. The belief is that change should happen virally from community to community with the support of innovation consultancies and educational institutions to help communities scale their impact through their resources and networks.

ACCESS GOAL #3

Increase Banff Centre for Arts and Creativity scholarships levels.

Progress

It is a long-established practice and core value that Banff Centre seeks to mitigate the financial burden on program participants, ensuring accessibility to all qualified participants based on merit and not on their ability to pay. Banff Centre programs are learner-centred, customized to the needs and aspirations of individual artists, but they must also be affordable.

In 2015-16, Banff Centre for Arts and Creativity provided \$2.3 million in scholarships and financial assistance to arts participants.

ACCESS GOAL #4

Increase access to Banff Centre's unique and high-quality leadership development opportunities.

Progress

Banff Centre for Arts and Creativity is committed to providing scholarships to increase access to Leadership Programming as well as conducting applied research and growing off-site programming to increase impact for those who are unable to travel to Banff Centre.

In 2015-16, we offered \$248,000 in access funding to help ensure a robust cohort of not-for-profit leaders in on-site open enrolment programs. Through additional generous funding from organizations, we were also able to offer programming in communities across Canada, for leaders unable to travel to Banff, including Dawson Creek, Fort St John, Terrace, Peace River (British Columbia), Fox Creek/High Prairie (Alberta) and Sarnia (Ontario).

In 2015-16, Banff Centre for Arts and Creativity received a total of \$2.5 million to support the various programs listed above, including program access. In 2015-16, \$575,000 in scholarships was distributed to Indigenous participants, \$247,000 in scholarships was distributed to not-for-profit leaders, and \$222,000 was received from Shell Canada in order to support off-site programming to Indigenous leaders that were unable to travel to Banff.

ENROLMENT PLAN

Banff Centre for Arts and Creativity is unique in its diversity of disciplines, however the cross-disciplinary programming, wide range of emerging and established artist participants and inspiring remote location, does not shield it from competition with the scholarship programs of other world-class institutions that boast significantly larger endowments that enable successful applicants to receive full scholarships.

Banff Centre for Arts and Creativity's enrolment plan is, therefore, influenced by a number of factors that are distinctly different from other post-secondary institutions:

- the need to keep tuition fees as low as possible and to provide a high level of financial aid;
- the residential nature of all programming at Banff Centre, and the maximum number of just over 400 bedrooms on campus, making it very difficult to increase enrolment;
- the international competition for the world's highest quality post-graduate participants;
- the learner-centred programs maximize each learner's access to faculty and facilities, which necessitates continued capital investment in facilities and equipment; and
- Banff Centre programming is offered year-round, in many cases seven days a week, resulting in significant wear and tear on physical and human assets.

Recruitment to attract the best in Alberta and around the world is labour-intensive and often entails live auditions and interview tours to major cities across Canada, the United States and Europe.

ENROLMENT TARGETS

- Full enrollment in every program,
- High levels of financial aid,
- High-calibre applicants, drawn from an internationally competitive pool,
- Application to enrolment ratios of at least 2:1 ,
- High-calibre faculty, with participant ratios of no more than 1:25.

Progress

- All programs were fully enrolled.
- Programs participants received financial aid equal to an average of 67% of the program fee in 2015-16.
- 2015-16 program applicants: 64% from Canada, 19% from the US, 17% international applicants, primarily drawn from Europe, Australia, New Zealand, Asia, and South America. Artistic directors reported a continued high-calibre of applicants.

- The 2015-16 ratio of applications to enrolments for all programs was 2.5:1.
- Faculty to participant ratios averaged 1:8.

B. Research, Applied Research and Scholarly Activities

Banff Centre for Arts and Creativity's overarching goal is to further define its role in advancing knowledge in Arts, Leadership and Conferences through practice-led research. New opportunities will be created for creative industries through applied research in arts programs and digital media.

Banff Centre's Research Plan focuses on research priorities that enhance creativity and spur innovation, therefore supporting a wide range of applied research and creative activities through our partnership model of applied research, which includes partners in the Campus Alberta framework, and beyond.

RESEARCH GOAL #1

Expand knowledge and opportunities in creative industries through applied research in arts programs and digital media.

Progress

As a public post-secondary institution in a province that emphasizes the transformative impact of Information and Communications Technology (ICT), Banff Centre for Arts and Creativity continues to be well positioned to bring greater integration of ICT into artistic and cultural production. We have a record of almost two decades of such activity in the world of digital media through the Banff New Media Institute which has now evolved into different digital programs in Media and Production and also in individual disciplinary areas. These programs continue to evolve and broaden along with rapid changes in new technologies in the coming years.

Over the past decade and a half, Banff Centre for Arts and Creativity has undertaken a number of applied research initiatives. In the area of mentoring and connecting business with content creators, the Accelerator program continues to provide a test-bed in which small and medium enterprises in the Digital Media area receive skills in business development. Our Curatorial Institute and Visual Digital Arts Department hold symposia on cultural research as well as the annual Banff Research in Culture residency, where artists and researchers help redefine the impact of energy on society, and imagine new ways of representing and thinking about energy for the future.

RESEARCH GOAL #2

Expand research collaborations and partnerships.

Progress

Banff Centre continues to invite researchers to work within programs where they can conduct their applied research through the development of the artists in the programs. The Centre continues to be a contributing partner with the Prairie Partnership for Arts Research on their Creative and Cultural Ecosystems on the Prairies project, and also hosts the Banff Research in Culture residency.

RESEARCH GOAL #3

Build capacity for applied research to increase the effectiveness and accessibility of leadership development.

Progress

With Professor John Borrows as the new Nexen Chair in Indigenous Leadership at Banff Centre for Arts and Creativity, new partnerships were forged with other post-secondary institutions such as the University of Victoria to help secure new, dedicated funds to support research.

Banff Centre for Arts and Creativity continues to explore options for partnership and co-programming with University of Alberta's Peter Lougheed Leadership College.

The Leadership Development team continues to look for new and improved methods of building capacity, currently focusing on building partnerships to help increase reach and knowledge, and utilize best practices and new technology. Examples include hosting the forums on the future of leadership (bringing together leading international thinkers and doers) and the Cultures Based Innovations membership; working with corporate partners to expand offerings and do more rigorous evaluation of the impact of our programming; refocusing some roles to be better able to support our Wise Practices research to help expand its use and relevance to more programming and projects; and better leveraging our relationship with the University of Alberta through the Peter Lougheed Leadership College partnership.

RESEARCH GOAL #4

Build measurement capacity in Conferences to validate achievement of goals and objectives.

Progress

- Banff Centre for Arts and Creativity's Meeting Architect has completed return on investment (ROI) training and is a certified ROI specialist.
- Research has been completed on best practice return on equity (ROE) models. Both ROI and ROE evaluation services are being offered to clients, with a view to test and refine this product offering during 2016-17.
- Once conference architecture approaches are validated, Banff Centre will use these results to secure new conferences focused on solving challenges and advancing agendas. This will help build sustainability by creating new demand and leading to increased specialization and internationalization of conference groups. This innovative approach to conferences is the first of its kind in Alberta, and will contribute greatly to the advancement of individuals and organizations.

C. Community

Banff Centre plays an active role in the networks of post-secondary institutions in Alberta and beyond. As a member of a number of provincial and national networks, Banff Centre works regularly with other colleges and universities to ensure that the unique residential programs offered in Banff complement those offered elsewhere, and to explore partnership opportunities.

As a member of the Association of Canadian Institutes of Art and Design, the Centre is working to develop new approaches to graduate studies and research in the field. As part of its community priorities, Banff Centre is continually open to partnering initiatives designed to drive Alberta's future success and ensure prosperity and an improved quality of life for the Alberta community.

Community goals are structured to ensure valuable institutional returns for regional communities, both in the Bow Valley and across Alberta, and digital communities. Within these goals, Banff Centre for Arts and Creativity provides educational support and collaborative program delivery that enhance learners' experiences and outcomes and the social, cultural and economic well-being of these communities.

REGIONAL COMMUNITIES

Goal

To engage with communities by providing access and opportunities for artistic experiences, convening, learning, recreation, education and leadership development.

Progress

- The Centre has begun exploration of several opportunities and partnerships around reconciliation and how the Centre can support the calls to action from the Truth and Reconciliation Commission findings. Banff Centre for Arts and Creativity is hosting a Truth and Reconciliation Summit on October 29, 2016, for Bow Valley residents to learn about and respond to the Truth and Reconciliation Commission's 94 Calls to Action. Over 250 participants, both Indigenous and non-Indigenous, will explore their roles in the reconciliation process and develop an approach for repairing Canada's relationship with Aboriginal peoples. This summit is an opportunity for local government, education, business, heritage and culture, justice, health and social services providers to engage in dialogue and share approaches to reconciliation. Key supporters – The Calgary Foundation, Suncor Energy Foundation, Nexen, and Government of Alberta – are helping to make the summit a reality. Invitations have been extended to all three members of the Truth and Reconciliation Commission to attend, speak and participate in this event. The focus of the Summit itself will be on the Bow Valley and surrounding First Nation communities, so that Banff Centre for Arts and Creativity can start to live into the recommendations as fully as possible itself, while demonstrating adherence to the recommendations in the design and structure of its programs.
- The Centre renewed efforts to build more thoughtful and synergistic relationships with our neighbours in Stoney Nakoda First Nation, including dedicated funds committed to help support access to our programming for their community members.
- Visual + Digital Arts leads a number of arts-based programs with Indigenous youth in the Morley and Stoney communities both through the Walter Phillips Gallery and in local schools. They also continue to offer a very popular still life drawing class series *Drawn to Nature* with classes taking place at various community locations in Banff. This series culminates in a community exhibition featuring works created by participants of the program at the Banff Public Library. The Centre opened its Visual + Digital Arts studios to the public with the Open Studios Series, offering the public the opportunity to view and discuss the works artists created during their time at Banff Centre for Arts and Creativity.

- The Club performance venue at Banff Centre featured public performances by participants in the Independent Music Residency, Jazz, Spoken Word, Indigenous Arts and Visual + Digital Arts Programs. The Banff Mountain Film and Book Festival offered the community opportunities to take in books, photography and films relating to mountain culture throughout the world.
- The Centre's Leadership Programming department hosted two roundtables exclusively for Bow Valley residents to consider the needs and wants of the cultural sector (in particular - museums and galleries as a subset of the sector) as part of the Centre's research, design and development of new programming.
- The Centre hosted the *Reel Time Film Series* from October, 2015 to April, 2016, at Banff's Lux Cinema and leveraged community partnership with the Lux Cinema to host a Festival Flashback series of past Banff Mountain Film Festival award winners, in celebration of the 40th anniversary of the Banff Mountain Film and Book Festival.
- Through the *Studies for Possible Futures* with ReFreshed, youths (aged 15+) from Calgary neighbourhoods and First Nations communities were brought together to learn positive life skills and experiences through mentoring, skill-building and community connection to the urban arts. Their visit to Banff Centre connected the themes of the program (what does it mean to be an artist, warrior and healer) to the Walter Phillips Gallery *Séance Fiction* exhibition and contemporary art practices.
- A series of visits from Chiniki Programs, an organization that seeks to engage local Indigenous youth in experience-based activities, entitled *Storytelling in Contemporary Art Practices* was held at the Centre in the summer of 2015.

DIGITAL COMMUNITIES

Goal

To disseminate the work created at Banff Centre for Arts and Creativity through performances, publications, broadcasts and other means in order to enhance the cultural well-being of Canadians and international digital communities through access to excellent cultural products.

Progress

Banff Centre is becoming increasingly responsive to arts and culture news that connects back to Banff Centre alumni, such as the release of Saul Williams' album *Martyr Loser King* and RBC Taylor Prize winner Rosemary Sullivan with her novel *Stalin's Daughter*.

In 2015-16, Banff Centre created and published 100 shorts (videos) including interviews with Banff Mountain Film and Book Festival guests, performers, and faculty at the Centre. These stories were disseminated via banffcentre.ca, and the Centre's social media platforms.

iTunes proved popular with audiences with 11,981 streams of Banff Centre content played, 22,464 episodes downloaded, 6,294 visitors and 2,515 subscriptions.

Soundcloud had 57,984 streams of Banff Centre content played in 2015-16.

Financial and Budget Information

This Management Discussion and Analysis (MD&A) should be read in conjunction with Banff Centre's annual audited consolidated financial statements and accompanying footnotes, which are reviewed and approved by the Board of Governors and are included in this Annual Report. The Centre's consolidated financial statements have been prepared in accordance with Public Sector Accounting Standards (PSAS) and are expressed in Canadian dollars.

Banff Centre generates over 70% of its funding from sources other than the base operating grant provided by Alberta Advanced Education. During the last quarter of the March 31, 2015, fiscal year, Alberta's economy abruptly lost strength in its primary industry with the rapid and significant decline in oil prices, which impacts the Centre's ability to generate earned and donated revenues. Within Alberta, companies and organizations have reduced discretionary expenditures for donations, external training and development sessions, educational seminars and conferences, all of which are the sources of substantial revenues that support the Centre's core arts programs. The negative impact of the Alberta economy has been offset by guest room rate increases and increased Conference revenues from organizations outside of Alberta attracted by the relative strength of the US dollar in relation to the Canadian dollar.

Although earned revenues are impacted by the economic situation in Alberta, world financial markets over the past several years up to the year ended March 31, 2015, have driven higher investment returns on the Centre's endowment assets, which are an essential source of funding for the extensive participant scholarships and financial assistance programs. The endowment assets and related markets, however, experienced increased volatility during the fiscal year ended March 31, 2016, which had a negative impact on investment returns.

Endowment fundraising has experienced continued strength with new private sector contributions for the year ended March 31, 2016 totalling \$2.1 million and a matching grant received in March, 2016, of \$1 million on eligible donations of \$1.4 million included in the grant application for the Canada Cultural Investment Fund Endowment Incentives matching program (eligible gifts include private sector donations made between December 1, 2014 and November 30, 2015). Since the start of this federal program in 2005-06, the Centre has received over \$12 million in endowment matching funds. This program is currently expected to continue until at least 2018, with the maximum available in Canadian Heritage matching funds being \$15 million (with up to \$1 million annually).

Careful stewardship of resources and dedication to delivering exceptional service to program participants and conference guests helped the Centre sustain its operations in 2015-16, resulting in an operating surplus of \$475,000 for the year ended March 31, 2016. Over half of the expense budget consists of employee and faculty compensation. In March, 2016, the Centre and Canadian Union of Public Employees (CUPE), the union that represents support staff, executed a new collective agreement for the period January 1, 2016 to March 31, 2019, which in addition to salary progression provides cost-of-living wage increases of 1.25%, 1.5%, and 1.75% effective on January 1, 2016, January 1, 2017, and April 1, 2018, respectively.

As explained elsewhere in this Annual Report, Banff Centre has undertaken a strategic review of the direction of the organization and has adopted a new, five-year strategic plan (2016-21) that supports a revamped mission and vision for the organization and a renewed focus on the delivery of our mandate as a specialized post-secondary institution. As part of the strategic review, Banff Centre completed an organizational restructuring early in fiscal 2016-17 that is reflected in the operating budget and forecasted revenue and expenses included in its Comprehensive Institutional Plan (2016-19) and will help the Centre to continue delivering high quality services in a financially sustainable manner.

The Centre reported an excess of revenue over expense totalling \$475,000 for the year ended March 31, 2016 (2015 - \$338 thousand). Over the year, total revenue increased by \$2.5 million to \$64.7 million and total expenses increased by \$2.4 million to \$64.2 million.

The increase in revenue for the year ended March 31, 2016, was driven primarily by the utilization of Access to the Future funding from the Government of Alberta that was not available in fiscal 2015, and increased utilization of grant funding from the Province of Alberta through the Peter Lougheed Leadership Program. Decreased volumes in relation to Conferences were offset by increased guest room rates. The increase in expenditures primarily reflects higher compensation costs, the accrual of restructuring costs, and costs in relation to strategic planning, branding and website development.

The MD&A provides an overview of the results Banff Centre achieved in the year ended March 31, 2016, with a detailed discussion and analysis of:

- Business Planning and Management
- Results Compared to Prior Year
- Budget to Actual
- Financial Position
- Areas of Significant Financial Risk

Business Planning and Management

The Centre's five-year strategic plan (2016-21) and three-year Comprehensive Institutional Plan (2016-19) provide the fiscal framework to enable the Centre to achieve its strategic goals and objectives. Performance measures identified in the plans monitor and communicate progress to the Centre's provincial, national and international stakeholders.

The Centre establishes balanced operating and capital budgets each year. Both budgets are monitored by management on a monthly basis and any variations from the plan are adjusted quarterly to ensure the required year-end results are achieved.

All proposed project and strategic investment initiatives are subject to a due diligence review that requires the development of an appropriate business case.

RESULTS COMPARED TO PRIOR YEAR

Total revenue increased for the year ended March 31, 2016, to \$64.7 million from the \$62.2 million level achieved in the previous year. The following table includes the composition of the Centre's total revenue for the year ended March 31, 2016, with comparative information for March 31, 2015.

Consolidated Revenues	<i>(in thousands of dollars)</i>	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Government of Alberta grants	\$ 20,790	\$ 17,658
Federal and other government grants	2,457	2,450
Sales, rentals and services	26,844	26,849
Tuition and related fees	2,558	2,933
Donations and other grants	6,928	7,091
Investment earnings	867	936
Amortization of deferred expended capital contributions	4,235	4,239
Total Revenues	\$ 64,679	\$ 62,156

The most significant changes in revenues for the year ended March 31, 2016, compared to March 31, 2015, are explained below:

- Banff Centre utilized \$1.3 million for operating purposes from Alberta's Access to the Future Fund, which was not available in fiscal 2015.
- Banff Centre utilized \$1.6 million more of the Peter Lougheed Leadership Institute funding from the Government of Alberta.
- Reduced guest room volumes were mostly offset by increased guest room rates.

Total expenses increased for the year ended March 31, 2016, to \$64.2 million from \$61.8 million in fiscal 2015. The following table includes the composition of the Centre's total expenses for the year ended March 31, 2016, with comparative information for March 31, 2015.

Consolidated Expenses	<i>(in thousands of dollars)</i>	
	Year Ended March 31, 2016	Year Ended March 31, 2015
Salaries, wages and benefits	\$ 36,071	\$ 33,502
Purchased services	5,753	5,125
Materials, goods and supplies	4,221	4,084
Scholarships and financial assistance	2,394	2,791
Facility operations and maintenance	2,855	3,263
Utilities	1,484	1,667
Travel, training and related costs	2,140	2,179
Rentals and equipment	1,435	1,622
Marketing and recruitment	1,093	819
Financial costs	618	845
Amortization of capital assets	5,881	5,921
Loss on disposal of capital assets	259	-
Total Expenses	\$ 64,204	\$ 61,818

The most significant changes in expenses for the year ended March 31, 2016 compared to March 31, 2015 are explained below:

- Annual compensation increases and pay adjustments, offset to a minor extent by the shift in marketing and communications spending from compensation to direct marketing costs (\$0.8 million).
- The accrual of restructuring costs (\$1 million).
- Costs in relation to strategic planning, branding and website development (\$0.9 million).

BUDGET TO ACTUAL

A balanced operating budget of \$62.4 million for the year ended March 31, 2016, was approved by the Board of Governors. Revenues were \$2.2 million more than the budget, and expenses were \$1.8 million more than budget, resulting in an excess of revenue over expenses of \$475,000.

The most significant variances from budgeted revenues are explained below:

- There were a number of offsetting amounts in relation to Government of Alberta grants, but the main driver of the increase was utilization of \$0.9 million more than budgeted for Peter Lougheed Leadership Institute funding.
- Accommodation, food and beverage revenues were \$1 million more than budgeted, primarily driven by increased guest room rates.
- Tuition and related fees revenue was \$1.1 million less than budget, of which \$0.7 million related to Leadership programming tuition and related fees that were replaced by private sector contributions as noted below. The remaining budget shortfall in tuition and related fees for Arts programming was offset by corresponding reduced levels of expense for financial assistance.
- Donations and other grants were \$1.4 million more than budgeted due to private sector contributions in relation to Leadership programming projects.

Investment earnings were \$0.5 million less than budgeted due to the lower than expected drawdown of distributed endowment investment earnings.

The most significant variances from budgeted expenses are explained below:

- There were a number of offsetting amounts in relation to salaries, wages and benefits, but the main driver of the variance was unbudgeted accrued restructuring costs of \$1 million.
- Unbudgeted costs of \$0.9 million in relation to strategic planning, branding and website development.

Financial Position

The Centre's net asset balance at March 31, 2016, totalled \$50.4 million, a decrease of \$8.7 million for the fiscal year. The net asset balance is reported in two major categories, accumulated surplus and net assets restricted for endowment purposes.

Accumulated surplus increased by \$475 thousand for the year ended March 31, 2016, to \$14.2 million from \$13.8 million in fiscal 2015. Included in accumulated surplus at March 31, 2016 is \$20.8 million (2015 - \$21.3 million) representing the Centre's investment in capital assets. The balance of accumulated deficit excluding the investment in capital assets totalled \$6.6 million at March 31, 2016 (2015 - \$7.6 million). This is comprised of the Centre's estimated share of the Universities Academic Pension Plan unfunded liability of \$3.2 million (2015 - \$3.3 million) and \$3.4 million (2015 - \$4.2 million) of accumulated undepreciated capital costs funded from operations rather than debt.

Net assets restricted for endowment purposes decreased by \$9.1 million to \$36.2 million at March 31, 2016, from \$45.3 million at March 31, 2015. The net decrease in endowment net assets is the result of a non-recurring reclassification to deferred contributions of cumulative undistributed investment earnings of \$11.5 million, which is explained in the next paragraph. New contributions of \$3.1 million and investment income of \$0.8 million were partially offset by the distribution of earnings for spending of \$1.6 million.

Towards the end of fiscal 2016, the Centre adopted revised Endowment Management Guidelines, which provide direction for all endowment funds held and restricted for the benefit of the Centre. The revision of the Endowment Management Guidelines clarified that undistributed investment earnings on endowment principal are externally restricted for the purposes intended by the donors rather than permanently endowed. Unless explicitly restricted for endowment, investment earnings going forward will flow directly through deferred contributions. The revised Endowment Management Guidelines were applied to cumulative endowment contributions, and upon adoption a one-time movement of cumulative undistributed investment earnings totalling \$11.5 million from endowment net assets to deferred contributions was required.

Areas of Significant Financial Risk

- **Economy:** Global economic conditions have adversely impacted the Centre in the past, and recently a downturn in the Alberta economy has had a negative impact on the Centre's earned and donated revenues. Any significant reductions in revenue impact the level of funding available to support programming.
- **Provincial funding and tuition fees:** The Centre's Comprehensive Institutional Plan assumes a 2% increase in the provincial base operating grant and a modest increase in deferred maintenance grants for the year ended March 31, 2017. The Centre will continue to review and refine its business model to reflect the funding realities without unduly impacting the quantity and quality of programming.
- **Salaries and benefits increasing at faster pace than Government funding:** Management and professional staff received a cost of living salary increase of 2% in April 2016. The current Collective Agreement with the CUPE, which represents approximately 80% of the Centre's staff, covers the period January 1, 2016, to March 31, 2019. In addition to salary progression, the Collective Agreement provides cost-of-living wage increases of 1.25%, 1.5%, and 1.75% effective on January 1, 2016, January 1, 2017, and April 1, 2018, respectively. The current 2% increase in Government

funding is not sufficient to keep pace with expected increases in salaries and benefits based on progression and cost of living.

- **Infrastructure Maintenance Program funding and deferred maintenance:** The Centre has identified deferred maintenance as a top priority and is addressing this priority annually through a combination of judicious allocation of Infrastructure Maintenance Program grants from the Province of Alberta and internal resource reallocation to the extent possible. Wherever possible, the Centre addresses deferred maintenance as part of other capital projects within the existing building inventory. As part of the Centre's strategic planning process, the Centre reviewed its requirements in relation to unfunded deferred maintenance that will not be addressed through its priority capital projects, information technology and essential equipment with no sources of funding. The plan adopted anticipates bank financing through a revolving term/lease facility up to \$10 million for which approval is being sought from Alberta Advanced Education.
- **Technology Strategy:** The Centre's renewed strategic direction requires significant and ongoing investments in new and emerging technologies. The Centre has previously been successful in attracting some one-time funding from external sources, however significant additional resources will be required to fully support IT initiatives over the coming five years. As noted above, debt financing is anticipated.
- **Investments and endowments:** With the addition of new endowment gifts and matching funds from federal programs, the Centre's endowment fund continues to grow. Until the end of fiscal 2015, endowment assets experienced significant increases in value as global equity markets rebounded from the lows in 2008-09. However, general market conditions have been more volatile since March 31, 2015, which negatively impacted investment returns for the year ended March 31, 2016 and could impact investment returns going forward.
- **Ability to meet enrolment targets:** The Centre reported a slightly higher number of full-time learning equivalents (FLEs) during the year ended March 31, 2016, compared to the previous reporting period. The Centre will strive to achieve its goal of 540 FLEs under the new organizational and programming model with current masters-level programming and new accessible, public-facing symposia and summits as innovative mediums of higher-level learning in the arts. With additions or upgrades to campus facilities and a revenue increase, program enrollments would have the capacity to increase.
- **Unfunded pension liability:** The Centre participates with other employers in the Universities Academic Pension Plan (UAPP). The UAPP is a multi-employer defined benefit pension plan that provides pensions for management and professional staff members. As of March 31, 2016, the estimated funding deficiency of the Plan as a whole is \$1.13 billion. The Centre's portion of the liability is \$3.2 million, down slightly from \$3.3 million in 2015.

Internationalization

Banff Centre for Arts and Creativity continues its ongoing commitment, since its founding in 1933, to maintain a strong global perspective, balancing its recruitment of arts and leadership program participants from Alberta, Canada and internationally.

Arts

Banff Centre arts programming continues to be internationally relevant and at the forefront of contemporary artistic practice across a unique diversity of disciplines. As with all other sectors, technology has changed the world of arts and culture globally, accelerating changes in practice and giving artists new tools of production and distribution for their work. Banff Centre arts residencies are designed to be responsive to the increasingly interdisciplinary nature of contemporary work and the increasing demands for technology, training and equipment. We do this work in partnership with cultural organizations and governments in Alberta, Canada and around the world. Banff Centre now also reaches audiences worldwide by sharing content captured at the Centre in creative residencies, speaking events and live performances on several platforms.

International partnerships include BMUKK Federal Ministry for Education, Arts and Culture (Austria), Scottish Arts Council, Arts Council of England, Australian Council for the Arts, Creative New Zealand, Ministry of Taiwan, Arts Council of Mongolia, Instituto Tomie Ohtake (Brazil), Denmark Ministry of Culture, Fondo Nacional para la Cultura y las Artes (FONCA, Mexico), College of Science and Engineering Co-operative Education Centre at the City University of Hong Kong, Colombia Ministry of Culture, the Barbican (UK), the Institut français, the French Consulate, Chopin Piano Competition, the Sundance Institute, NBC Universal, Goethe Institut and others.

Leadership

Banff Centre is Alberta's globally recognized centre for leadership development programming and applied research. Conventional leadership approaches do not address the complex challenges society faces today and the Centre devises and delivers programs that, by bringing together and inspiring diverse groups of people, provide ways in which these challenges can be solved. We provide experiential learning opportunities for leaders who want to affect change. We develop leaders by working with them on real challenges they face in a safe, collaborative, constructive and stimulating space, providing practical leadership tools, approaches and ongoing support leaders can use in their communities and workplace. Our perspective is that to lead the way for social change in Canada and beyond, diverse perspectives are needed.

Conferences

Banff Centre for Arts and Creativity hosts 500 conferences per year, serving 20,000 attendees from all around the world. Over the coming years, Banff Centre plans to be proactive in securing conference activity of global significance. Banff Centre continues to look for opportunities to become the world's think-and-do-tank for both summits and practical experimentation for issues that are most pressing to the future of our world.

Information Technology

Banff Centre depends on Information Technology infrastructure and systems to serve our artists, participants and staff efficiently and effectively. From a thorough review of Information Technology at Banff Centre it was determined that much of the infrastructure and systems have not been maintained appropriately. This has resulted in our institution relying on older and, in some cases, unsupported versions of the technology and dealing with a backlog of deferred maintenance.

Information protection and security is of the utmost concern for Banff Centre. Continuous improvement in security practices to protect our digital assets and the privacy of users is an absolute requirement.

The cost to appropriately protect critical data is increasing rapidly with solutions needing to be updated or supplemented at a quicker pace than in the past. The cost to maintain a secure environment is increasing at an alarming pace. With security not being an option the cost is taking away from other areas.

As part of the 2016-21 strategic plan, Banff Centre has developed a six-year plan to revitalize its infrastructure and enterprise applications. It has been determined that the backlog of critical infrastructure and application upgrades will require \$7.5 million dollars of additional funding over the next six years beginning in 2016-17.

Banff Centre recognizes and embraces partnerships with other institutions in Alberta's adult learning system (such as the University of Alberta) and other organizations to leverage technology solutions that create or shift capacity and reduce costs in managing Information Technology needs.

Priorities in fiscal 2015-16 for Information Technology included:

- Strengthening the foundation of infrastructure and systems by undertaking a thorough review and prioritization process.
- Developing and deploying robust security measures to protect Banff Centre's digital assets.
- Meeting the needs of our diverse user population through improved service delivery.
- Partnering with Campus Alberta institutions and other organizations to pilot and leverage technology solutions to create or shift capacity and reduce costs.
- Expanding business continuity and disaster recovery capabilities through the use of cost-effective off-site partners.

Progress on 2015-16 Information Technology priorities:

- A new and revitalized Information Technology Steering Committee (ITSC) began meeting in March, 2016. The Committee is focused on prioritizing and resourcing Banff Centre IT projects. In looking at the delivery of multiple key projects simultaneously, the ITSC is working to define and deliver technology projects consistently across Banff Centre.

- The ITSC has identified a number of projects that need to be addressed in the next six years. Business cases were subsequently created and evaluated to assist with prioritization. This resulted in recommendations that were proposed to and approved by the Centre's senior leadership team. Work on the first wave of approved projects is underway, and the approved projects include the following:

- Student Information System replacement
 - Point of Sale System replacement
 - Faculty Information System
 - Internal staffing time management system upgrade
 - Online Web Reservations
- An ITS Security Analyst position was created to assist Banff Centre in the rapidly evolving cyber security landscape. The position is an advocate for Banff Centre's information security and is responsible for supporting the development of a comprehensive information security strategy to optimize the security posture of the organization.
 - Banff Centre is continuing to work with the University of Alberta and other institutions across Alberta in the setup and delivery of a Shared Data Centre. Banff Centre has recently partnered with most of the post-secondary institutions in Alberta on the ShareIT initiative. This program is focused on shared purchasing of equipment and services. The benefits include common solutions and reduced costs.
 - One of the key outputs of the Shared Data Centre initiative for Banff Centre is the ability to expand its business continuity and disaster recovery capabilities. The shared off-site model is a cost-effective way for Banff Centre to leverage the capabilities and knowledge required. Banff Centre has introduced increased resiliency in the infrastructure deployed on-site with the new systems that were deployed in fiscal 2015-16.
 - The Centre purchased and deployed a new converged server and storage platform to replace its legacy servers and storage. In addition to replacing old equipment, the new platform provides a significant improvement in capacity, performance and data centre automation. The new capabilities will reduce the support required while providing a solid foundation for the upcoming Banff Centre system updates. To support the new servers, the core network in the data centres was updated to increase throughput and resiliency. As part of this project, new servers will be deployed at the University of Alberta Data Centre to improve disaster recovery readiness.
 - In 2015-16, the ITS team focused their efforts on security controls and processes. Working with partners, an assessment of the security posture and readiness was undertaken. ITS prioritized the findings and tackled all significant security recommendations. In response to the recommendations, ITS purchased and installed next-generation firewalls that are better able to meet today's evolving security threats. The team will continue to conduct assessments with the assistance of a third party to ensure the security model continues to mature and protect Banff Centre's digital assets.

Capital Plan

Banff Centre is a globally respected arts, cultural, and educational institution and conference facility. As a unique creative and learning experience, Banff Centre curates innovative programs that develop artists and leaders, inspiring them to conceive and produce powerful work and ideas that are shared with the world. As such, the Centre's capital facilities and equipment are critical to supporting and enabling the optimal learning experience for arts, leadership and conference participants.

Due to the age of the buildings on campus, the cost of deferred maintenance on existing facilities continues to grow. In addition to the growing deferred maintenance burden, numerous areas around campus need to be modernized and upgraded to meet programming needs that impact artists, leaders, faculty and staff.

The following are some high-level examples of repairs needed as part of the Centre's deferred maintenance:

- Essential roof replacement
- Essential interior upgrades and flooring replacement
- Address fire and safety inspection issues
- Replace emergency and exit lighting, and other critical electrical components
- Address technological infrastructure deficiencies
- Address barrier-free accessibility on campus
- Essential repairs to staff housing
- Replace essential equipment for film, media, theatre, music, visual arts, recreational facilities, guestrooms, and food and beverage services
- Replace and upgrade HVAC components, including pumps, motor and control replacement

As available infrastructure funding does not meet the deferred maintenance value, project selections and prioritization is carefully scrutinized during the annual capital planning process. Buildings scheduled to be replaced or significantly restored use the limited funds available for major roof repairs, major building envelope repairs and major mechanical and electrical upgrades or repairs. In addition to annual planning, a capital working group analyzed long-term needs and put forward recommendations that have been adopted in the institution's strategic plan. This includes a framework to eliminate deferred maintenance over the longer term, including a prioritization of near-term priority capital projects.

As part of the Centre's strategic planning process, the Centre reviewed its requirements in relation to unfunded deferred maintenance that will not be addressed through its priority projects, information technology as set out in the previous section and essential equipment with no sources of funding. The plan adopted requires bank financing through a revolving term/lease facility up to \$10 million for which approval is being sought from Alberta Advanced Education.

The following projects have been identified in the Centre's 2016-19 Comprehensive Institutional Plan (CIP) as part of a broader campus master plan as facilities requiring significant rehabilitation and upgrades, and will commence within the next three to five years – pending provincial, federal, and private sector investment. These facilities are integral to our programming and enrolment plans – and their deficiencies and safety issues will continue to be detailed in the Alberta Infrastructure's Building and Land Information Management System (BLIMS).

- **Priority 1:** Theatre and Learning Complex – Major Preservation
Total Project Estimate per 2016-19 CIP: \$160.8 million.
- **Priority 2:** Lloyd Hall Participant Residence – Minor Preservation and Abatement of Asbestos
Total Project Estimate per 2016-19 CIP: \$14.0 million (preservation), \$1.957 million (abatement).
- **Priority 3:** Affordable Practicum and Staff Housing – Minor Preservation and New Construction
Total Project Estimate per 2016-19 CIP: \$18.8 million.

Further details on each priority project is included in Banff Centre's 2016-19 Comprehensive Institutional Plan.

2015-16 Capital Plan Priorities

Goal

Address technological infrastructure deficiencies.

Progress

- See Information Technology section above.

Goal

Increase the functionality of our technology systems to facilitate and enrich student and staff experiences.

Progress

- See Information Technology section above.

Goal

Replace essential equipment for film, media, theatre, music, visual arts, recreation facility, guestrooms and food and beverage services.

Progress

- This is an ongoing project. Essential equipment was replaced as required throughout the year.

Goal

Manage essential repairs to staff housing.

Progress

- Interior and exterior maintenance was completed including new kitchens, carpets, roofs and decks in certain staff accommodations.

Goal

Replace emergency exit lighting and other critical electrical components.

Progress

- This is an ongoing project. Critical electrical components were replaced throughout the year.

Goal

Replace and upgrade HVAC components, including pumps, motor and control replacement.

Progress

- Mechanical and electrical component projects are required every year in order to maintain our infrastructure at Banff Centre. In 2015-16, the largest mechanical project was replacing the pool filtration system in the Sally Borden Fitness and Recreation Centre building.

Goal

Update fire alarm replacement program.

Progress

- This is an ongoing project. Fire alarm and sprinkler systems were repaired during the year as needed.

Goal

Essential roof replacement.

Progress

- The roof of the Laszlo Funtek Teaching Wing in the Theatre Complex of Banff Centre was replaced.

Goal

Essential interior upgrades and flooring replacement.

Progress

- Flooring was replaced in the dance studios of the Laszlo Funtek Teaching Wing and public spaces around campus.

Goal

Exterior repairs and refinishing of various buildings considerations.

Progress

- Professional Development Centre exterior staining was completed, along with TransCanada Pipeline building main exterior doors.

Goal

Address annual fire and life safety inspection issues.

Progress

- Accessibility issues were addressed entering and exiting certain Banff Centre building roofs and mechanical spaces around campus.

Banff Centre for Arts and Creativity Supporters

Through their generosity and investment in Banff Centre for Arts and Creativity, donors, sponsors and other supporters help inspire artists and leaders to make their unique contribution to society.

Government of Alberta

Alberta Advanced Education
Alberta Culture and Tourism
Alberta Foundation for the Arts
Alberta Innovates

Government of Canada

Canadian Heritage
Canada Council for the Arts

Lifetime Supporters

In recognition of supporters who have contributed \$100,000 or more to Banff Centre for Arts and Creativity cumulatively as of March 31, 2016.

Amounts represent actual funds received and do not include pledge amounts committed that are receivable in future years.

\$10 million +

The Kahanoff Foundation†
James S. Kinnear and Friends

\$1 million - \$4,999,999

Corporate

BP Canada Energy Group ULC
Enbridge Inc.
Husky Energy Inc.
Nexen Energy ULC
RBC Royal Bank
Shaw Communications Inc.
Shell Canada Limited

Foundation

J.W. McConnell Family Foundation
The Jarislowsky Foundation
Max Bell Foundation

Suncor Energy Foundation
Anonymous (2)

Individual

Edwards Family
Yolande* and Howard* Freeze
Estate of Dorothy Jean Harvie
Glen and Ann Sather and Family
Estate of Mario James Stella

Organization/Association

National Geographic Society
Rural Alberta Development Fund†

\$500,000 - \$999,999

Corporate

Autodesk
BMO Financial Group
Cenovus Energy Inc.
Chevron Canada Limited
CIBC
Encana Corporation
The Globe and Mail
Great-West Life, London Life and Canada Life
Imperial Oil
Maclab Enterprises
The North Face
Power Corporation of Canada
Repsol Oil and Gas Canada Inc.
Rogers Communications
TD Bank Group
TELUS
TransAlta Corporation
TransCanada Corporation

Foundation

The Bumper Foundation
David Spencer Endowment Encouragement Fund
Eldon and Anne Foote Fund at Edmonton Community Foundation

Individual

Margaret and Jim Fleck
Margaret and David Fountain
Jamie and Brenda Mackie
Barbara * and John Poole* and Family
Alison Rice*
Vladimir and Yachiyo Wolodarsky

\$250,000 - \$499,999

Corporate

Banff Airporter Inc.
CMH Heli-Skiing and Summer Adventures
Coca-Cola Refreshments Canada Company
ConocoPhillips Canada
Deuter
Gulf Canada Resources Limited†
Investors Group
Lafarge
Lake Louise Ski Resort and Summer Gondola
MSR - Mountain Safety Research
Nabisco Brands Ltd.
New Balance
Nortel Networks Corporation†
Outdoor Research
Patagonia
PCL Construction Group Inc.
PENGROWTH Energy Corporation
Petzl
Scotiabank
Sun Life Financial Canada
World Expeditions
Yamaha Canada Music Ltd.

Foundation

Calgary Flames Foundation
Carolyn Sifton Foundation
The Nat Christie Foundation†

Individual

Christine and David Anderson
Peter and Sheila Bentley
Andrea Brussa
Cyril and Elizabeth Challice
Peter Crockford
Jackie Flanagan
Susan Glass and Arni Thorsteinson
Bryan Price and Christine Choi
Kim and Jeff van Steenberg
Joan* and Marshall Williams
Estate of Evelyn Wood
Anonymous

\$100,000 - \$249,999

Corporate

Alliance Pipeline

AMEX Canada Inc.
Anadarko Petroleum Corporation†
ARC Resources Ltd.
ATB Corporate Financial Services
Azimuth Capital Management
B and E Electronics Ltd.
Banff Lake Louise Tourism
Bergans of Norway
Bird Construction Company Limited
Blake, Cassels and Graydon LLP
Brewster Travel Canada
Calgary Herald
Canada House Gallery
Canadian Natural Resources Limited
Canadian North
Canadian Pacific Limited†
Canadian Utilities Limited, an ATCO Company
CanWest Global Communications Corp. †
Cavendish Investing Ltd.
Clif Bar and Company
Corus Entertainment Inc.
Cushe Footwear
Dentons-Canada
Devon Canada Corporation
Diana Paul Galleries
EPCOR
Genstar Development Company†
Horizon North Logistics Inc.
House of Persian Rugs
J. Vair Anderson Jewellers
James Richardson and Sons Limited
Kicking Horse Coffee Company
Kun Shoulder Rest Inc.
Lehigh Hanson Materials Limited
Luscar Ltd.
Masters Gallery Ltd.
MEC Mountain Equipment Co-op
Molson Coors Canada
Mountain Galleries at the Fairmont
National Bank
NBCUniversal
Norton Rose Fulbright
NOVA Chemicals Corporation
OneWest Events Inc.
PENGROWTH Management Ltd.
Petro-Canada+
Progress Energy Canada Ltd.
Rolex Canada Ltd.

Rozsa Petroleum Ltd. †
Sidley Austin LLP
Spectra Energy
St. Joseph Communications
Teck Resources Limited
Trimac Transportation Services
Union Pacific Resources Inc. †
Weyerhaeuser
Xerox Canada Ltd.
Anonymous

Foundation

The 1988 Foundation c/o Lotte and John Hecht Memorial Foundation
Alvin and Mona Libin Foundation
Appel Family Foundation
The Asper Foundation
The Cadmus Fund at Calgary Foundation
The Clifford E. Lee Foundation
Nickle Family Foundation
R. Howard Webster Foundation
Sir Jack Lyons Charitable Trust
The W. Garfield Weston Foundation
William and Nona Heaslip Foundation
Anonymous

Individual

Belzberg Family
Adriana and Stephan Benediktson
Children of Sheila and Peter Bentley
Linda Black, QC and Doug Black, QC
Alice Chan and Chen Fong
Estate of Frederick Louis Crosby
Michael B.C. Davies*
In Memory of Ilona Diener
Jim Dinning and Evelyn Main
Bryce and Nicki Douglas
Ed Eberts
Chris and Mary Fong
Sandra and Ernie Green
Frances Harley and Raul Urtasun
Dick and Lois Haskayne
Rebecca Hotchkiss and Harley Hotchkiss* and The Hotchkiss Family Foundation
Donald K. Johnson and Anna McCowan-Johnson
Michael M. and Sonja Koerner
Jeff Kovitz, QC
John and Sheilagh Langille
Joshua Lavigne
Peggy and David Leighton, OC
Jens Lindemann, CM

Jeanne and Peter* Lougheed
Estate of Jean MacQueen
Allan Markin, OC
F. Richard Matthews*
Vickie and Russell McKinnon, QC
Brent McLean and Sheila Wappel-McLean
Estate of Ruby Mercer
Gay Mitchell and Archie McIntosh
Janice and Earle O'Born
Aldo and Elizabeth Parisot
Jim and Sandra Pitblado
Denise Poley, Marc Langlois, Jean Mogensen, Marni Virtue, Steve de Keijzer
Robyn and Gord Ritchie
Evalina Schmidtke
Toshimi and William Sembo
Carolyn* and David Tavender, QC
Jan and Adam Waterous
Catharine Whyte*
Leonora Woods* in memory of Lt.-Col. J.H. Woods
Anonymous (2)

Organization/Association

Alpine Club of Canada
Calgary Philharmonic Players Association
Siksika First Nation Development Fund

Undisclosed Amount

Alice Schultz
Betty Schultz

2015-16 Supporters

In recognition of donors and supporters who contributed to Banff Centre for Arts and Creativity between April 1, 2015 and March 31, 2016

\$1 million +

Foundation

Suncor Energy Foundation

Individual

Estate of Mario James Stella

\$250,000 - \$499,999

Corporate

Husky Energy Inc.

RBC Royal Bank
Shell Canada Limited

Individual

Jamie and Brenda Mackie

\$100,000 - \$249,999

Corporate

BP Canada Energy Group ULC
The Globe and Mail
The North Face
Progress Energy Canada Ltd.
TD Bank Group

Foundation

David Spencer Endowment Encouragement Fund
Sir Jack Lyons Charitable Trust
Anonymous

Individual

Gay Mitchell and Archie McIntosh
Denise Poley, Marc Langlois, Jean Mogensen, Marni Virtue, Steve de Keijzer

Organization/Association

National Geographic Society

\$50,000 - \$99,999

Corporate

Azimuth Capital Management
Bergans of Norway
Chevron Canada Limited
Clif Bar and Company
J. Vair Anderson Jewellers
Nexen Energy ULC
Parkland Fuel Corporation
Power Corporation of Canada
Rolex Canada Ltd.
Shaw Communications Inc.

Foundation

The Howard and Maryam Newman Family Foundation, Inc.

Individual

Andrea Brussa
Margaret and Jim Fleck
Rebecca Hotchkiss and Harley Hotchkiss* and The Hotchkiss Family Foundation
Colin Jackson and Arlene Strom
Susan Peterson and Thomas d'Aquino

Joanne Taylor and Jack Davis
Kim and Jeff van Steenberg
Jan and Adam Waterous

\$30,000 - \$49,999

Corporate

ConocoPhillips Canada
Deuter
Icebreaker, Merino Clothing Inc.
Mammut
Masters Gallery Ltd.
Northern Gateway Pipelines LP
Norton Rose Fulbright
Oboz Footwear
OneWest Events Inc.
TransAlta Corporation
Treksta
World Expeditions
Yamaha Canada Music Ltd.

Foundation

Harrison McCain Foundation and The Hnatyshyn Foundation

Individual

Christine Armstrong and Irfhan Rawji
Pat and Connie Carlson
Simone Desilets
Chris and Mary Fong
Dick and Lois Haskayne
John and Sheilagh Langille
Brent McLean and Sheila Wappel-McLean
Robyn and Gord Ritchie
Vladimir and Yachiyo Wolodarsky
Anonymous

\$20,000 - \$29,999

Corporate

B and E Electronics Ltd.
Banff Airporter Inc.
Banff Lake Louise Tourism
Big Rock Brewery
Canada House Gallery
Canadian North
Coca-Cola Refreshments Canada Company
Horizon North Logistics Inc.
Investors Group
Kicking Horse Coffee Company

Lake Louise Ski Resort and Summer Gondola
Mountain Galleries at the Fairmont
Mountain House
MSR - Mountain Safety Research
Petzl

Foundation

The 1988 Foundation c/o Lotte and John Hecht Memorial Foundation
Jarislowsky Fraser Partners Foundation
Anonymous (2)

Individual

Michael and Heather Culbert
Estate of Michael Bruce Cooke Davies
Jan and Larry Fichtner
Sandra and Ernie Green
The Stollery Family

\$10,000 - \$19,999

Corporate

Amazon.ca
ARC Resources Ltd.
ATB Corporate Financial Services
Blake, Cassels and Graydon LLP
Blu's
The Camera Store
Canadian Natural Resources Limited
Diana Paul Galleries
The Globe and Mail and Thomson Reuters
GoPro, Inc.
KPMB Architects
Loch Gallery
Maclab Enterprises
Mawer Investment Management
McAra Unicom
MEC Mountain Equipment Co-op
Nikon Canada Inc.
Qiviuk/Jacques Cartier Clothier
Tim Hortons Inc.
Yamnuska Mountain Adventures

Foundation

Flair Foundation
John and Barbara Poole Legacy Funds at Edmonton Community Foundation

Individual

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Irene M. Bakker

Laila Biali
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Sharon F. Douglas
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Elmer Hildebrand - Golden West Broadcasting Ltd.
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Carolyn* and David Tavender, QC
Shirley and Greg Turnbull
Patrick and Michelle Ward
Peter and Joanne Whidden
Joan* and Marshall Williams
Nancy and Andrew Wiswell
Anonymous

Organization/Association

Alberta Blue Cross
Alpine Club of Canada

\$6,000 - \$9,999

Corporate

Buff Canada
Helly Hansen
Mayberry Fine Art
MEG Energy
Osprey Packs
Paul Hardy Design
Purcell Mountain Lodge
TELUS

Foundation

Alvin and Mona Libin Foundation

Individual

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 Ross and Nancy Hayes
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 Lawrence Hill
 Andy Kenins and Heather Kaine
 Peter and Katherine Kilty
 Tim and Alana Kitchen
 Peggy and David Leighton, OC
 Nancy Lever and Alex Pochmursky
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 Murray Malley and Jacqueline Nowak
 Jeff and Marilyn McCaig
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 Andrew Molson and Helen Antoniou
 Rick and Lea Murray
 Pascale Ouellet aka Bigoudi
 Rob and Patricia Peabody
 Christine Robertson
 James Rooney
 Kathleen and Richard Sendall
 William Williams

Organization/Association

Ontario Genomics Institute
 University of Toronto McLaughlin Centre

\$1,000 - \$5,999**Corporate**

Agriteam Canada
 Alpinist Magazine
 Amati Capital
 Arctos and Bird Management Ltd.
 Barbara Edwards Contemporary
 Barry Shaw Entertainment Inc.
 Big Rock Brewery
 Cacao Barry
 Cardinal Capital Management, Inc.
 Centini Restaurant and Lounge
 The Cookbook Co. Cooks

Dan Sparks and Associates
 Delta Bow Valley and Delta Lodge at Kananaskis
 Fairmont Chateau Lake Louise
 Fairmont Chicago, Millenium Park
 Fairmont Hotels and Resorts (Canadian Rockies)
 Gerry Thomas Gallery
 Gibson Fine Art
 Goal Zero
 Groupe Germain
 Herringer Kiss Gallery
 Highline Magazine†
 The Hive Gallery
 Hughes Fine Art
 Inspirati Ltd.
 Janice Beaton Fine Cheese
 Jarvis Hall Fine Art
 Le Massif de Charlevoix
 Liquidity Wines
 Magic Places Cycling Adventures
 Mountain Life Media Inc.
 Netherlands Investment Company of Canada Limited
 Newzones Gallery of Contemporary Art
 Nordstrom
 Mount Norquay Ski Resort
 Norseman Outdoor Specialist
 The Pampered Chef
 Paul Kuhn Gallery
 Porter Airlines
 Post Hotel and Spa
 Royal Wood Music Inc.
 Sea and Summit
 Searchlight Recruitment Inc.
 Ski Banff-Lake Louise-Sunshine
 Slate Fine Art Gallery
 Small Luxury Hotels of the World
 Steelhead LNG Corp.
 Susan Kun Jewellery Design
 Van Ginkel Art Gallery
 Vasque
 Vin Gogh Paint and Sip Studio
 Wallace Galleries Ltd.
 WBM Partners LLP
 Willock and Sax Gallery
 Anonymous (2)

Foundation

Hicks Memorial Fund at Calgary Foundation
 Ingrid Kidd Goldfarb and Richard Goldfarb Fund
 Janet Griesdale Fund at Private Giving Foundation

Ken Page Memorial Trust
Pamela Grigg Charitable Fund at Calgary Foundation
Peter and Dorothea Macdonnell Fund at Edmonton Community Foundation
Pirie Foundation
The Smith Vanstokkom Foundation
Tim Hortons Advertising and Promotion Fund (Canada) Inc.
Virginia Middleberg Fund at Calgary Foundation
The Walrus Foundation
William and Nona Heaslip Foundation
Anonymous

Individual

Fernando Alvarez
Christine and David Anderson
Dick Bakker
Graham and Carla Balzun
Ed Bamiling
Banff Centre for Arts and Creativity Staff
John Barkhouse
Christian Bayle and Nicole Cramer
Kyle Beal and Douglas Udell Gallery
Jenny and Hy Belzberg
Jean and Gary Bews
Linda Black, QC and Doug Black, QC
Marc and Desiree Bombenon
Wayne and Janice Bossert
Richard Bremner and Clare Jarman
Don and Wendy Brownie
Melanie Busby and Goldie Edworthy
Margaret Clarke
Chris Cran
Maria David-Evans
Jim Davidson
Janice and Ben Davis
Linda and Owen De Bathe
Cindy Delpart
Joan Dotoli
Amy Dryer
Glen Edwards
Robert and Mary Jane Espey
Elena Evanoff
Shawn Evans
Bill and Ruby Fisher
Joan Forge and Rick LeLacheur
Sharon and Ronald Friesen
Trevor and Cindy Gardner
Rod and Lois Green
Frances Harley and Raul Urtasun
Dan and Kathy Hays

Greg Heath
Barry Heck and Beth Reimer-Heck
Glenda Hess
Ron Holdsworth and Constance Hunt
Larry and Carolyn Hursh
Ashley, Susan and Tony James
Johnston Family
Jolliffe and Godlonton Families
Vernon and Barbara Jones
Hsing Jou and E.L. Bishop
Kevin Kanashiro and Paul Khun Gallery
Maureen and Joe Katchen
Gloria Kaufman
Marty Kaufman represented by Circa Art Glass Inc.
Kimberly and George Keller
Rob and Jennifer King
Stephen and Kimberly King
James S. Kinnear
Zelma Kiss and Christopher McAviney
Margot and David Kitchen
Heather and Wade Klimchuk
Helle and Juri Kraav
Chris and Stephanie Kucharski
Barbara La Pointe of Michelangelo Gallery
Judith LaRocque
Debra and Darrell Law
Doug and Maree Leighton
Blaine and Carmen Lennox
Lessard Family
Pat Lockey
Lockwood Family
Mary and Stephen Lougheed
David S. Lyons
Wayne and Sue Lyons
Annette av Paul Macdonald
Ian MacGregor
Letha J. MacLachlan, QC and John Ridge
Norman and Sandra Marenych
Lynette and Dan Markham
Howard and Gayle Mayson
Jane McCaig and Richard Waller
M. Ann McCaig
John McCall
Kevin and Dore Meyers
Arliss Miller
Eleanor and Jack Mintz
Jack and Anne Mirtle
David Miyauchi and Mary MacRae

J. Sherrold and Patricia Moore
Angela Morgan
Lacy J. Morin-Desjarlais*
Sandra Morrison and Joe Horton
James and Janice Morton
Weida and Ken Murphy
Derek and Sherri Neldner
Sheila O’Gorman
Lyndal Osborne
Cathy Paperny
Judy and Gordon Paterson
Lynn and Bobbie Patrick
Barbara and Eric Pelham
Robert and Melissa Pockar
Stephanie Pontosky
Janice Price and Ian Findlay
Sean William Randall
Ron Read
Jim and Susan Reader
Jeri-Lynn and Lauren Robertson
John and Anita Rossall
Lucy Schappy
Herb O. Selli
Toshimi and William Sembo
Barry Shiffman and Robin Fribance
Janice Tanton
David and Astrid Tupper
Peter Valentine
Natasha Vasiliou
Michael Velcic
Tracy and Jackson von der Ohe
Wendy Wacko
Scott Walker
Barry Weiss
John Whelen
Douglas Williamson
Kathy Zimon
Anonymous (9)

Organization/Association

Association of Canadian Mountain Guides
Canmore Folk Music Festival Society
Continental Gynecologic Society, Inc.
Genome Alberta
Institute of Corporate Directors
Perimeter Institute
Society for Canadian Women in Science and Technology
University of Alberta Canadian Mountain Studies Initiative

University of Calgary
Whyte Museum of the Canadian Rockies

Undisclosed Amount

Alice Schultz
Betty Schultz

* *deceased*
† *inactive*

Other Supporters and Partners

Archives Society of Alberta
Calgary Foundation
CanadaHelps
Edmonton Community Foundation
Fidelity Charitable Gift Fund
Gift Funds Canada
Oxford University Press
United Way of Calgary and Area
United Way Toronto and York Region
TD Waterhouse/Private Giving Foundation

Consolidated Financial Statements

March 31, 2016

For the purposes of this Annual Report reference to The Banff Centre shall also include reference to “Banff Centre for Arts and Creativity”, “Banff Centre” and “the Centre” and each reference shall be deemed to have the same meaning.

Independent Auditor's Report

To The Board of Governors of
The Banff Centre

We have audited the accompanying consolidated financial statements of The Banff Centre, which comprise the consolidated statement of financial position as at March 31, 2016, and the consolidated statements of operations and changes in net assets, remeasurement gains and losses and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of The Banff Centre as at March 31, 2016, and the results of its operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Chartered Professional Accountants, Chartered Accountants
May 31, 2016

THE BANFF CENTRE

Consolidated Statement of Financial Position

As at March 31, 2016
(in thousands of dollars)

	March 31, 2016	March 31, 2015
Assets		
Current assets		
Cash and cash equivalents	\$ 7,095	\$ 6,656
Accounts and grants receivable (note 5)	4,950	5,702
Inventories and prepaid expenses	1,250	569
	<u>13,295</u>	<u>12,927</u>
Notes receivable and deferred charge (note 6)	678	676
Long-term investments (note 3)	55,092	48,358
Capital assets (note 7)	132,249	136,016
	<u>\$ 201,314</u>	<u>\$ 197,977</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	\$ 6,132	\$ 4,055
Unearned revenue and deposits (note 8)	3,066	1,707
Deferred contributions (note 9)	4,931	3,214
Current portion of long-term debt (note 11)	90	330
	<u>14,219</u>	<u>9,306</u>
Long-term debt (note 11)	-	120
Employee future benefit liabilities (note 12)	3,291	3,333
Long-term deferred contributions (notes 9)	22,064	11,910
Deferred expended capital contributions (note 10)	111,328	114,244
	<u>150,902</u>	<u>138,913</u>
Net Assets		
Accumulated surplus (note 13)	14,230	13,755
Endowments (notes 14)	36,182	45,309
	<u>50,412</u>	<u>59,064</u>
	<u>\$ 201,314</u>	<u>\$ 197,977</u>

The accompanying notes are an integral part of these financial statements.

Signed on behalf of The Banff Centre Board of Governors:

[Original signed by Chair, Board of Governors]

[Original signed by President, The Banff Centre]

THE BANFF CENTRE

Consolidated Statement of Operations and Changes in Net Assets

For the year ended March 31, 2016
(in thousands of dollars)

	Budget 2016	Actual 2016	Actual 2015
Revenue			
	(Note 18)		
Government of Alberta grants (note 15)	\$ 20,054	\$ 20,790	\$ 17,658
Federal and other government grants (note 15)	2,337	2,457	2,450
Sales, rentals and services	25,396	26,844	26,849
Tuition and related fees	3,625	2,558	2,933
Donations and other grants	5,369	6,928	7,091
Investment earnings (note 16)	1,342	867	936
Amortization of deferred expended capital contributions (note 10)	4,325	4,235	4,239
	<u>62,448</u>	<u>64,679</u>	<u>62,156</u>
Expense			
Arts programming	19,476	18,922	18,897
Leadership programs	3,643	4,410	3,027
Institutional support	11,292	12,247	11,029
Facilities operations and related costs	12,770	12,773	13,351
Ancillary operations	15,267	15,852	15,514
	<u>62,448</u>	<u>64,204</u>	<u>61,818</u>
Excess of revenue over expense	-	475	338
Net assets, beginning of year		59,064	51,734
Change in remeasurement gains			(52)
Endowment contributions and other transfers (note 14)		3,129	2,344
Endowment investment earnings (note 14)		773	5,959
Endowment distributions available for spending (note 14)		(1,570)	(1,259)
Endowment cumulative undistributed investment earnings reclassified to deferred contributions (note 14)		(11,459)	-
Net assets, end of year	<u>\$ -</u>	<u>\$ 50,412</u>	<u>\$ 59,064</u>

The accompanying notes are an integral part of these financial statements.

THE BANFF CENTRE

Consolidated Statement of Cash Flows

For the year ended March 31, 2016

(in thousands of dollars)

	2016	2015
Operating Transactions		
Excess of revenue over expense	\$ 475	\$ 338
Non-cash items:		
Amortization of capital assets (note 7)	5,881	5,921
Loss on disposal of capital assets	259	-
Amortization of deferred expended capital contributions (note 10)	(4,235)	(4,239)
Change in employee future benefit liabilities	(42)	(193)
Other non-cash adjustments	(3)	49
Change in:		
Accounts and grants receivable	(218)	(1,100)
Inventories and prepaid expenses	(681)	88
Accounts payable and accrued liabilities	1,592	223
Unearned revenue and deposits	1,359	92
Deferred contributions	(67)	5,233
Cash provided by operating transactions	<u>4,320</u>	<u>6,412</u>
Capital Transactions		
Acquisition of capital assets (note 7)	(1,888)	(1,015)
Cash applied to capital transactions	<u>(1,888)</u>	<u>(1,015)</u>
Investing Transactions		
Purchases of investments, net of sales	(9,323)	(7,549)
Endowment investment return, net of distributions	1,793	1,923
Cash applied to investing transactions	<u>(7,530)</u>	<u>(5,626)</u>
Financing Transactions		
Long-term debt principal repayments	(360)	(384)
Long-term deferred contributions, capital	1,798	375
Endowment contributions and transfers	4,099	3,137
Cash provided by financing transactions	<u>5,537</u>	<u>3,128</u>
Increase in cash and cash equivalents	439	2,899
Cash and cash equivalents, beginning of year	6,656	3,757
Cash and cash equivalents, end of year	<u>\$ 7,095</u>	<u>\$ 6,656</u>

Cash and cash equivalents, end of year, is comprised of:

Cash on hand and demand deposits	\$ 635	\$ 273
Money market funds and guaranteed investment certificates	6,460	6,383
	<u>\$ 7,095</u>	<u>\$ 6,656</u>

The accompanying notes are an integral part of these financial statements.

THE BANFF CENTRE

Consolidated Statement of Remeasurement Gains and Losses

For the year ended March 31, 2016

(in thousands of dollars)

	2016	2015
Accumulated remeasurement gains, beginning of year	\$ -	\$ 52
Unrealized gains attributable to investments	-	(26)
Realized gain on investments, reclassified to operations	-	(26)
Accumulated remeasurement gains, end of year	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

THE BANFF CENTRE**Notes to the Consolidated Financial Statements**

For the year ended March 31, 2016

*(tabular amounts in thousands of dollars)***Note 1 Authority and Purpose**

The Banff Centre (the "Centre") is a corporation that operates under the Post-Secondary Learning Act (Alberta). The Centre is a registered charity and under section 149 of the Income Tax Act (Canada) is exempt from income tax.

The Centre provides public access to a broad range of learning and professional development experiences with emphasis on the arts, leadership development, and the exploration of issues related to mountain culture and the environment.

Note 2 Summary of Significant Accounting Policies and Reporting Practices**(a) Consolidated financial statements**

These financial statements are prepared on a consolidated basis and include the accounts of the Centre and The Banff Centre Foundation, which is controlled by the Centre and operates exclusively to support the activities of the Centre. The Foundation is a registered charity and under section 149 of the Income Tax Act (Canada) is exempt from income tax.

(b) Public sector accounting standards ("PSAS") and use of estimates

These financial statements have been prepared in accordance with PSAS, including the 4200 series of standards. The measurement of certain assets and liabilities is contingent upon future events; therefore, the preparation of these financial statements requires the use of estimates, which may vary from actual results. The Centre's management uses judgment to determine such estimates. The fair value of investments, employee future benefit liabilities, amortization of capital assets, amortization of deferred expensed capital contributions, potential impairment of capital assets, accrued liabilities, and the provision for bad debts are the most significant items based on estimates. In management's opinion, the resulting estimates are within reasonable limits of materiality and are in accordance with the significant accounting policies summarized below.

(c) Valuation of financial assets and liabilities

The Centre's financial assets and liabilities are generally measured as follows:

Cash and cash equivalents	Amortized cost
Long term investments, externally managed funds	Fair value
Long term investments, internally managed	
Equities	Fair value
Other	Amortized cost
Accounts, grants and notes receivable	Amortized cost
Accounts payable and accrued liabilities	Amortized cost
Long-term debt	Amortized cost

Externally managed funds include all investments managed within the The Banff Centre Foundation and other foundations managing assets on behalf of the Centre. Externally managed funds also include investments managed within The Banff Centre by external investment advisors. Externally managed funds could include equity instruments, bonds, money market funds and other fixed/variable interest investments.

THE BANFF CENTRE**Notes to the Consolidated Financial Statements**

For the year ended March 31, 2016

*(tabular amounts in thousands of dollars)***Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)****(c) Valuation of financial assets and liabilities (continued)**

All financial assets measured at amortized cost are tested annually for impairment. When the financial asset is impaired, an impairment loss is recorded. The write-down of a financial asset measured at amortized cost to reflect a loss in value is not reversed for a subsequent increase in value.

For financial instruments measured using amortized cost, the effective interest rate method is used to determine interest revenue or expense. Transaction costs are a component of cost for financial instruments measured using cost or amortized cost. Transaction costs are expensed for financial instruments measured at fair value. Investment management fees are expensed as incurred. The purchase and sale of cash and cash equivalents and investments are accounted for using trade-date accounting.

Management evaluates contractual obligations for the existence of embedded derivatives and elects to either designate the entire contract for fair value measurement or separately measure the value of the derivative component when characteristics of the derivative are not closely related to the economic characteristics and risks of the contract itself. Contracts to buy or sell non-financial items for the Centre's normal purchase, sale or usage requirements are not recognized as financial assets or liabilities. The Centre does not have any embedded derivatives.

(d) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits and highly-liquid investments that are readily convertible to cash and have a short maturity of less than three months from the date of acquisition.

(e) Inventories

Inventories held for resale are valued at the lower of cost and net realizable value, being the estimated selling price less the cost to sell. Inventories held for consumption are valued at the lower of cost and replacement value. Cost is calculated principally using the weighted-average cost method.

(f) Capital assets

Purchased capital assets are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement and betterment of the assets. The cost of capital assets includes overhead directly attributable to construction and development, as well as interest costs that are directly attributable to the acquisition or construction of the assets. Capital assets, except for property under development, are amortized on a straight-line basis over the estimated useful lives of the assets as follows:

Land improvements	20 years
Buildings and improvements	50 years
Equipment, furnishings and software	4-15 years

Property under development is not amortized until the project is substantially complete and the asset is placed in service. Assets acquired under capital lease are recorded at the lower of fair value and the present value of the minimum lease payments excluding any lease operating costs. Contributed capital assets are recorded at fair value when such value can be reasonably determined. Works of art, historical treasures and collections are expensed when acquired and not recognized as capital assets, but the cost of these collections is disclosed in note 7.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(f) Capital assets (continued)

Capital assets are written down when conditions indicate that they no longer contribute to the Centre's ability to provide goods and services, or when the value of future economic benefits associated with the capital assets is less than their net book value. The net write-downs are accounted for as expenses in the statement of operations.

(g) Revenue recognition

All revenues are reported using the accrual basis of accounting. Amounts received in advance for tuition, fees, and sales of goods and services are classified as unearned and recognized as revenue at the time the goods are delivered or the services are provided.

The Centre follows the deferral method of accounting for contributions and recognizes government grants, donations and other grants as described below.

Donations and non-government grants are received from individuals, corporations, and private sector not-for-profit organizations. These funds and government grants may be unrestricted or restricted for operating, endowment or capital purposes.

Unrestricted non-capital contributions are recorded as revenue in the year received or in the year the funds are committed to the Centre if the amount can be reasonably estimated and collection is reasonably assured.

Externally restricted non-capital contributions are deferred and recognized as revenue in the period in which the related expenses are incurred. Externally restricted amounts can only be used for the purposes designated by external parties.

Externally restricted capital contributions are recorded as deferred contributions until the amounts are invested in capital assets, at which time the amounts are transferred to deferred expended capital contributions. Deferred expended capital contributions are recognized as revenue in the periods in which the related amortization expense of the funded capital assets is recorded. The related portions of capital amortization expense and deferred expended capital contributions amortization are matched to indicate that the amortization expense has been funded externally.

Investment earnings include dividend and interest income, realized gains or losses on the sale of investments, and unrealized gains and losses on investments.

Any externally restricted contributions containing stipulations that the amounts be retained as net assets or not be expended are recorded as direct increases in net assets. Such stipulations would include contributions made for endowment purposes. Any investment earnings attributable to these funds that must be maintained in perpetuity are also recognized as a direct increase in endowment net assets.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(g) Revenue recognition (continued)

Unrealized gains and losses from changes in the fair value of financial instruments with no restriction over the use of investment earnings are recognized in the statement of remeasurement gains and losses. Upon settlement, the cumulative gain or loss is reclassified from the statement of remeasurement gains and losses and recognized in the statement of operations.

With the adoption of the Centre's new Endowment Management Guidelines (see note 14), investment earnings related to investments restricted for endowments are recorded in accordance with donors restrictions for their use and recognized as deferred contributions before being recognized in the statement of operations when the funds are expended. Investment earnings associated with other restricted contributions are also recorded as deferred contributions and recognized in the statement of operations when the funds are expended. Prior to adoption of the new Endowment Management Guidelines, investment earnings related to investments restricted for endowments were recorded as direct increases to net assets.

In-kind donations of services and materials are recorded at fair value when such value can be reasonably determined. While volunteers and staff contribute a significant amount of time each year to assist the Centre, the value of their services is not recognized as revenue and expenses in the financial statements because the fair value cannot be reasonably determined.

(h) Foreign currency translation

Transactions in foreign currencies are translated to Canadian dollars using estimated exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to Canadian dollars using the period-end exchange rate. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to Canadian dollars using the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognized in earnings.

(i) Employee future benefits

The Centre participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit pension plans that provide pensions for the employers' participating employees based on years of service and earnings.

Pension expense for the UAPP is actuarially determined using the projected benefit method prorated on service and is allocated to each participant based on the respective percentage of employer contributions to the plan on the participant's behalf. Actuarial gains or losses on the accrued benefit obligation are amortized over the expected average remaining service life of active plan members.

The Centre does not have sufficient plan information on the PSPP required to follow the standards for defined benefit accounting. Accordingly, pension expense recorded for the PSPP is comprised of employer contributions to the plan that are required for its employees during the year. The contributions are calculated based on actuarially predetermined amounts that are expected to fund the plan's future benefits.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 2 Summary of Significant Accounting Policies and Reporting Practices (continued)

(j) Future Accounting Changes

In March 2015, the Public Sector Accounting Board issued PS 2200 *Related Party Disclosures* (which does not apply to the Centre) and PS 3420 *Inter-entity Transactions*. In June 2015, the Public Sector Accounting Board issued PS 3210 *Assets*, PS 3320 *Contingent Assets*, PS 3380 *Contractual Rights*, and PS 3430 *Restructuring Transactions*. These accounting standards are effective for fiscal years starting on or after April 1, 2017, with the exception of PS 3430, which is effective for fiscal years starting on or after April 1, 2018.

PS 3420 - *Inter-entity Transactions* establishes standards on how to account for and report transactions between public sector entities that comprise a government's reporting entity from both a provider and recipient perspective.

PS 3210 - *Assets* provides guidance for applying the definition of assets set out in PS 1000 *Financial Statement Concepts* and establishes general disclosure standards for assets.

PS 3320 - *Contingent Assets* defines and establishes disclosure standards for contingent assets.

PS 3380 - *Contractual Rights* defines and establishes disclosure standards for contractual rights.

PS 3430 - *Restructuring Transactions* defines a restructuring transaction and establishes standards for recognizing and measuring assets and liabilities transferred in a restructuring transaction.

Management is currently assessing the impact of these new standards on the consolidated financial statements.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 3 Investments

	2016	2015
Long-term investments, non-endowment	\$ 18,910	\$ 4,018
Long-term investments, restricted for endowments	36,182	44,340
	<u>\$ 55,092</u>	<u>\$ 48,358</u>
Investments at amortized cost:		
Guaranteed investment certificates (GICs)	\$ 7,451	\$ 508
Fixed income investments	-	3,510
	<u>7,451</u>	<u>4,018</u>
Investments at fair value:		
Cash and cash equivalents	4,343	3,054
Canadian government bonds	8,455	8,441
Corporate bonds	6,517	4,814
Equity investments	28,326	28,031
	<u>47,641</u>	<u>44,340</u>
	<u>\$ 55,092</u>	<u>\$ 48,358</u>

See note 4 for explanation of fair value measurements. Investments other than bonds and other fixed income investments are considered Level 1 items where fair value is measured based on quoted prices in active markets for identical investments. Bonds and other fixed income investments included in cash and cash equivalents are Level 2 items where fair value is measured based on market inputs other than quoted prices included in Level 1 that are observable for the investments either directly or indirectly.

Investments at fair value include a pooled fund holding in which The Banff Centre Foundation has an equity interest represented by units in the pooled fund and any distributions from the fund. The pooled fund investment consists of several underlying pooled fund holdings of cash and cash equivalents, Canadian government bonds, corporate bonds and Canadian, U.S. and international equities. The pooled fund holdings have been allocated accordingly to these categories above.

Note 4 Financial Risk Management

The Centre is exposed to a variety of financial risks, including market risks (price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk, primarily in relation to its investments. To manage these risks, the Centre invests in a diversified portfolio of investments that is guided by established investment policies that outline risk and return objectives. The long-term objective of the Centre's investment policies is to maximize the purchasing power of investment assets and future endowment contributions after meeting ongoing disbursement requirements. The specific financial objectives include the provision of stable and consistent income to meet the goals of the Centre, capital appreciation (without undue risk) such that investments continue to grow over time in real terms, and minimization of risk through diversification.

The Centre does not use foreign currency contracts or any other type of derivative financial instruments for trading or speculative purposes.

The Centre is exposed to the following risks:

(a) Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument, its issuer or general market factors affecting all instruments. To manage this risk for investments, the Centre has policies and procedures in place governing asset mix, diversification, exposure limits, credit quality and performance measurement.

Investments are disclosed in note 3. Price risk is most significant in relation to equity investments, where each 1% change in value would have an impact of \$283,000.

THE BANFF CENTRE

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 4 Financial Risk Management (continued)

(b) Foreign currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The following table provides the carrying value of long-term investments denominated in various currencies and the sensitivity to a 1% change in currency value:

	Carrying value	Impact of 1% change
Canadian denominated investments	\$ 35,958	\$ -
US denominated investments	8,877	89
Investments denominated in other currencies	10,257	103
	<u>\$ 55,092</u>	<u>\$ 192</u>

Foreign currency risk for financial instruments other than investments is insignificant.

(c) Interest rate risk

Interest rate risk is the risk to the Centre's earnings that arises from the fluctuation and degree of volatility in those rates. Interest rate risk on the Centre's debt is insignificant given the low level of debt and primarily fixed rates. Interest rate risk in relation to investments in bonds is insignificant given that the rates are primarily fixed over longer terms. Changes in interest rates will, however, impact the market price of bonds. Interest rate risk in relation to other interest bearing instruments, including cash and cash equivalents and GICs, exists given the relative short term to maturity. The carrying value of these instruments, both current and long term, totals \$18,889,000, so the impact of each 1% change in interest rates would be \$189,000 annually. This sensitivity ignores the fact that some of these instruments are locked in for longer periods of time, as indicated in the table below.

The maturities of interest-bearing investments held by the Centre are as follows:

	< 1 year	1-5 years	> 5 years	Average market yield
	%	%	%	%
Interest bearing accounts	100.0	-	-	0.87
Money market funds	100.0	-	-	0.37
Guaranteed investment certificates	71.3	28.7	-	1.17
Canadian government and corporate bonds	0.8	26.7	72.5	2.82

(d) Credit risk

The Centre is exposed to credit risk on investments arising from the potential failure of a counterparty, debtor or issuer to honor its contractual obligations. To manage this risk, the Centre has established an investment policy with required minimum credit quality standards and issuer limits.

The Centre's accounts receivable are subject to normal credit risks due to the nature of the Centre's customers and grantors. The carrying values of these receivables reflect management's assessment of the credit risk associated with these customers and grantors.

The credit ratings on investments held by the Centre are as follows:

	2016	2015
A or higher	90.2%	91.2%
BBB	9.8%	8.8%

THE BANFF CENTRE

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 4 Financial Risk Management (continued)

(e) Liquidity risk

The Centre has credit facilities totalling \$8.0 million available to ensure that funds are available to meet current and forecasted financial requirements. At March 31, for the years presented in these financial statements, no amounts were outstanding under these credit facilities.

(f) Fair value

When measuring the fair value of an asset or liability, the Centre uses market observable data to the extent possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Centre can access at the measurement date

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: unobservable inputs for the asset or liability

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Centre recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Note 5 Accounts and Grants Receivable

	2016	2015
Trade accounts receivable, net of allowance for doubtful accounts	\$ 2,354	\$ 1,664
Grants, participant and other receivables	2,596	4,038
	<u>\$ 4,950</u>	<u>\$ 5,702</u>

Accounts receivable are unsecured and non-interest bearing. No significant amounts are more than 90 days past due at March 31 of these years.

Note 6 Notes Receivable and Deferred Charge

	2016	2015
Discounted present value of advance to RMCHA	\$ 566	\$ 542
Accrued interest	26	26
Deferred charge	86	108
	<u>\$ 678</u>	<u>\$ 676</u>

In prior years, the Centre advanced a total of \$672,800 to Rocky Mountain Cooperative Housing Association (RMCHA) for the right to lease 42 accommodation units. In December 2005, the terms of the notes were modified to discontinue the accrual of interest. The notes are unsecured and repayable in 2019. Commitments under these operating leases are included in note 11 - Long-Term Debt and Commitments.

The notes receivable are discounted to a present value. The discount is amortized using the effective interest method. The deferred charge is amortized over the lease period.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 7 Capital Assets

	2016				
	Land Improvements	Buildings and Improvements	Equipment, Furnishings and Software	Property Under Development	Total
Cost					
Beginning of year	\$ 2,802	\$ 168,105	\$ 35,800	\$ 259	\$ 206,966
Additions	-	440	1,465	468	2,373
Disposals and other adjustments	-	-	-	(259)	(259)
	2,802	168,545	37,265	468	209,080
Accumulated Amortization					
Beginning of year	2,587	45,642	22,721	-	70,950
Amortization expense	46	3,352	2,483	-	5,881
	2,633	48,994	25,204	-	76,831
Net book value - March 31, 2016	\$ 169	\$ 119,551	\$ 12,061	\$ 468	\$ 132,249

	2015				
	Land Improvements	Buildings and Improvements	Equipment, Furnishings and Software	Property Under Development	Total
Cost					
Beginning of year	\$ 2,802	\$ 167,921	\$ 35,041	\$ 259	\$ 206,023
Additions	-	184	782	-	966
Disposals and other adjustments	-	-	(23)	-	(23)
	2,802	168,105	35,800	259	206,966
Accumulated Amortization					
Beginning of year	2,542	42,294	20,216	-	65,052
Amortization expense	45	3,348	2,528	-	5,921
Disposals and other adjustments	-	-	(23)	-	(23)
	2,587	45,642	22,721	-	70,950
Net book value - March 31, 2015	\$ 215	\$ 122,463	\$ 13,079	\$ 259	\$ 136,016

	2016	2015
Cash flow information		
Total capital asset additions	\$ 2,373	\$ 966
Change in accounts payable balances related to capital asset additions	(485)	49
Cash used for capital asset additions	\$ 1,888	\$ 1,015

Other information

Land is leased from the Government of Canada. The current lease expires on July 31, 2043 and is renewable.

Equipment, furnishings and software includes vehicles, furniture, fixtures, computer hardware, software, and other equipment. Included in the net book value of equipment at March 31, 2016 is approximately \$202,000 related to assets under capital leases (2015- \$234,000).

The Centre holds permanent collections of both library materials and artwork. Due to the subjective nature of these assets, they are not included in capital assets. There were no additions to permanent collections in 2016. As of March 31, 2016 the cumulative historical cost of these assets which has not been capitalized is \$1,544,000 (2015 - \$1,544,000).

THE BANFF CENTRE
Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 8 Unearned Revenue and Deposits

	2016	2015
Deposits for accommodations	\$ 2,278	\$ 945
Other sales and services	788	762
	<u>\$ 3,066</u>	<u>\$ 1,707</u>

Note 9 Deferred Contributions

Deferred contributions are comprised of unexpended externally restricted grants, donations and endowment investment earnings available for spending. Substantially all of the operating deferred contributions and earnings are restricted to support arts and leadership programming in addition to financial assistance for program participants. Other deferred contributions are restricted for capital projects.

	2016			2015
	Operating	Capital	Total	Total
Balance, beginning of year	\$ 13,392	\$ 1,731	\$ 15,123	\$ 9,769
Grants and contributions received or receivable:				
Operating	4,478	-	4,478	8,677
Capital	-	1,782	1,782	1,005
Distributed endowment investment earnings	1,554	16	1,570	1,259
Endowment cumulative undistributed investment earnings reclassified to deferred contributions (note 14)	11,459	-	11,459	-
Recognized as operating revenue:				
Grants and contributions	(5,122)	(213)	(5,335)	(4,546)
Endowment earnings utilized	(763)	-	(763)	(787)
Transfers to fund capital acquisitions	-	(1,319)	(1,319)	(253)
Balance, end of year	24,998	1,997	26,995	15,124
Current portion of deferred contributions	4,931	-	4,931	3,214
Long-term deferred contributions	<u>\$ 20,067</u>	<u>\$ 1,997</u>	<u>\$ 22,064</u>	<u>\$ 11,910</u>

Note 10 Deferred Expended Capital Contributions

Deferred expended capital contributions represent the unamortized contributions and grants received to fund capital acquisitions. The amortization of deferred expended capital contributions is recorded as revenue in the statement of operations. Changes in the deferred expended capital contributions balances are as follows:

	2016	2015
Balance, beginning of year	\$ 114,244	\$ 118,230
Transferred from deferred contributions to acquire capital assets (note 9)	1,319	253
Amortization revenue	(4,235)	(4,239)
Balance, end of year	<u>\$ 111,328</u>	<u>\$ 114,244</u>

THE BANFF CENTRE**Notes to the Consolidated Financial Statements**

For the year ended March 31, 2016

*(tabular amounts in thousands of dollars)***Note 11 Long-Term Debt and Commitments**

(a) Debt	2016	2015
Term loan	\$ 67	\$ 386
Capital leases	23	64
	90	450
Less: debt due within one year	90	330
Long-term debt	\$ -	\$ 120

The term loan is unsecured with blended monthly repayment of principal and interest at 3.04% per annum.

From time to time the Centre enters into capital leases to finance various purchases of equipment. These leases generally range in maturity from three to five years with implicit interest rates between 3.05% and 3.79%.

The Centre maintains a Letter of Credit Facility of up to \$200,000 ("Credit Facility") at an interest rate of 1.3% per annum. Amounts drawn under this Credit Facility are available through commercial letters of credit. At March 31, 2016, \$75,000 is issued and outstanding (2015 - \$75,000).

Interest expense on long-term debt for the year ended March 31, 2016 was \$9,300 (2015 - \$17,033). Interest expense approximates interest paid for both fiscal years and is included in the institutional support category of functional expense.

(b) Commitments

In January 2015, the Centre entered into a long-term supply arrangement with an electrical utility supplier for its electrical power needs for the period February 1, 2015 to January 31, 2020, at a rate of \$0.0489 per kilowatt hour subject to minimum and maximum requirements.

The Centre is party to an agreement with Rocky Mountain Cooperative Housing Association under which the Centre is committed to the rental of 42 housing units through December 2019. Under this agreement, the monthly rent is approximately \$48,000, with a portion recovered from staff and program participants through short-term rental arrangements. The total of this commitment (before recoveries) over the remainder of the lease term is approximately \$2,148,000.

THE BANFF CENTRE**Notes to the Consolidated Financial Statements**

For the year ended March 31, 2016

*(tabular amounts in thousands of dollars)***Note 11 Long-Term Debt and Commitments (continued)****(b) Commitments (continued)**

The Centre is party to an agreement with YWCA Banff under which the Centre is committed to the rental of 13 housing units through August 2017. Under this agreement, the approximate monthly rent is \$7,100, with a portion recovered from staff through short-term rental arrangements. The total of this commitment (before recoveries) over the remainder of the lease term is approximately \$114,000.

Future expected minimum payments for all long-term debt and commitments are as follows:

Year Ending March 31	Term Loan	Capital Leases	Operating Leases
2017	\$ 67	\$ 23	\$ 808
2018	-	-	739
2019	-	-	639
2020	-	-	430
	\$ 67	\$ 23	\$ 2,616

Note 12 Employee Future Benefit Liabilities

	2016	2015
Share of UAPP pension obligation	\$ 3,228	\$ 3,331
Accrued administrative leave	63	2
	\$ 3,291	\$ 3,333

The Centre participates with other employers in the Public Service Pension Plan (PSPP) and the Universities Academic Pension Plan (UAPP). These pension plans are multi-employer defined benefit plans that provide pensions for the Centre's participating employees based on years of service and earnings.

(a) PSPP

As the Centre does not have sufficient information on the PSPP to follow the accounting standards for defined benefit plans, the plan is accounted for on a defined contribution basis. Accordingly, pension expense of \$1,259,000 (2015 - \$1,280,000) recorded for the PSPP is comprised of employer contributions to the plan that are required for the Centre's employees during the year. Contributions are calculated based on actuarially predetermined amounts that are expected to provide the plan's future benefits. Pension expense is recorded as a direct cost, together with the related salaries and wages, and is reported in all expense categories in the statement of operations.

An actuarial valuation of the PSPP was carried out at December 31, 2012 and was then extrapolated to March 31, 2016. At December 31, 2015, the PSPP reported an actuarial deficiency of \$133.2 million (2014 - \$803.3 million) for the plan as a whole. The PSPP's deficiency is being discharged through additional contributions from both employees and employers until 2025. Other than the requirement to make additional contributions, the Centre does not bear any risk related to the PSPP deficiency.

THE BANFF CENTRE

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 12 Employee Future Benefit Liabilities (continued)

(b) UAPP

The UAPP is a multi-employer defined benefit pension plan for academic staff members and other eligible employees. An actuarial valuation of the UAPP was carried out at December 31, 2014 and further extrapolated to the Centre's year ended March 31, 2016. For comparative purposes, the December 31, 2012 actuarial valuation was used and further extrapolated to March 31, 2015. The Centre's share of the benefit liability, which has been allocated based on employer contributions to the plan, is estimated to be \$3,228,000 at March 31, 2016 (2015 - \$3,331,000).

The Centre recorded its share of pension expense of \$1,213,000 (2015 - \$978,000).

The significant actuarial assumptions used to measure the UAPP accrued benefit obligation for the plan as a whole and the Centre's share of the benefit obligation and benefit costs are as follows:

	2016	2015
Accrued benefit obligation at March 31	\$ 24,630	\$ 22,319
Discount rate	6.00%	6.10%
Benefit costs for years ended March 31	\$ 866	\$ 722
Discount rate	6.00%	6.10%
Average compensation increase	3.00%	3.50%
Estimated average remaining service life	10.8 yrs	8.6 yrs

The UAPP unfunded deficiency for service prior to January 1, 1992 is financed by additional contributions of 1.25% of salaries by the Government of Alberta. Employees and employers share equally the balance of the contributions of 3.54% (2015 - 2.87%) of salaries required to eliminate the unfunded deficiency by December 31, 2043. The Government of Alberta's share of the obligation for the UAPP unfunded deficit at March 31, 2016 is \$280.5 million (2015 - \$313.5 million).

The UAPP unfunded deficiency for service after December 31, 1991 is financed by special payments of 4.93% (2015 - 5.79%) of pensionable earnings until December 31, 2021, 1.71% (2015 - 1.71%) of salaries for 2022 and 2023, 0.70% (2015 - 0.70%) of salaries for 2024 and 2025, and 0.25% (2015 - 0.25%) of salaries for 2026 and 2027, all shared equally between employees and employers.

(c) Administrative leave

The Centre provides the President a paid leave of absence at the end of her/his administrative appointment, accrued during the period of employment. Upon completion of the term of service, the salary and benefits in effect at that time are paid for the duration of the leave. A lump sum payment may be taken at the end of the appointment with Board approval.

The Centre's benefit expense for administrative leave totaled \$61,000 (2015 - \$16,000). The accrued benefit liability at March 31, 2016 is \$63,000 (2015 - \$2,000), with no benefits (2015 - \$158,000) paid out or forfeited during the year. No assets are set aside to fund the liability as the Centre plans to use its working capital to finance this future obligation.

THE BANFF CENTRE

Notes to the Consolidated Financial Statements

For the year ended March 31, 2016

(tabular amounts in thousands of dollars)

Note 13 Accumulated Surplus

The changes in accumulated surplus are as follows:

	Unrestricted	UAPP Pension Deficit (note 12)	2016	2015
Accumulated operating surplus (deficit), beginning of year	\$ 17,086	\$ (3,331)	\$ 13,755	\$ 13,417
Excess of revenue over expense	475	-	475	338
UAPP pension benefits accrual	(103)	103	-	-
Accumulated operating surplus (deficit), end of year	<u>\$ 17,458</u>	<u>\$ (3,228)</u>	<u>\$ 14,230</u>	<u>\$ 13,755</u>

Included in accumulated surplus is \$20,831,000 (2015 - \$21,322,000) representing the amount of surplus that has been invested in capital assets.

Note 14 Endowments

	2016	2015
Endowments, beginning of year	\$ 45,309	\$ 38,265
Contributions and other transfers	3,129	2,344
Investment earnings	773	5,959
Distributions available for spending	(1,570)	(1,259)
Cumulative undistributed investment earnings reclassified to deferred contributions (see explanation below)	(11,459)	-
Endowments, end of year	<u>\$ 36,182</u>	<u>\$ 45,309</u>

Endowments consist of externally restricted donations received by the Centre and are managed in accordance with the terms of the agreements between the Centre and the individual donors. Investment earnings on endowments must be used in accordance with the various purposes established by the donors or the Centre's Board of Governors.

Endowment contributions and matching funds from Canadian Heritage under the Endowment Incentives program on eligible endowment contributions are held by The Banff Centre Foundation and The Banff Canmore Community Foundation (an unrelated public charitable foundation) and managed as permanent endowments for the sole benefit of the Centre. The endowment balances held by these foundations are as follows:

	2016	2015
The Banff Centre Foundation	\$ 28,048	\$ 34,183
The Banff Canmore Community Foundation	8,134	11,126
	<u>\$ 36,182</u>	<u>\$ 45,309</u>

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 14 Endowments (continued)

Towards the end of the current fiscal year, the Centre adopted revised Endowment Management Guidelines, which provide direction for all endowment funds held and restricted for the benefit of the Centre. The objectives of these Endowment Management Guidelines are:

To administer endowment funds in compliance with the endowment terms and all laws and regulations governing these funds, including (where applicable) Section 76 of the Post-Secondary Learning Act (Alberta), which includes provisions allowing the Centre to pool endowment funds for investment purposes and to regulate the distribution of earnings on endowments.

To administer endowments with the intent that annual spending requirements will be met while protecting as much of the purchasing power of the original endowment funds as possible.

To ensure endowment expenditures are made in accordance with all relevant restrictions.

Endowment net assets include all endowment contributions, matching contributions and other amounts designated as such by the Centre. Through the revision of the Endowment Management Guidelines adopted late in fiscal 2016, it was clarified that undistributed investment earnings on endowment principal are externally restricted for the purposes intended by the donors rather than permanently endowed. Unless explicitly restricted for endowment, investment earnings going forward will flow directly through deferred contributions. The revised Endowment Management Guidelines were applied to cumulative endowment contributions, and upon adoption a one-time movement of cumulative undistributed investment earnings totaling \$11,459,000 from endowment net assets to deferred contributions was required.

Under the Post-Secondary Learning Act (Alberta), the Centre has the authority to alter the terms and conditions of endowments to enable:

Income earned by the endowment to be withheld from distribution to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment.

Encroachment on the capital of the endowment to avoid fluctuations in the amounts distributed and generally to regulate the distribution of income earned by the endowment if, in the opinion of the Board of Governors, the encroachment benefits the Centre and does not impair the long-term value of the fund.

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 15 Government Grants

	2016	2015
Base operating grant from Alberta Advanced Education	\$ 16,802	\$ 16,472
Other Government of Alberta grants:		
Alberta Advanced Education	3,798	888
Alberta Culture	190	298
	<u>\$ 20,790</u>	<u>\$ 17,658</u>
Federal and other government grants:		
Government of Canada - Department of Canadian Heritage		
Canada Arts Training Fund	\$ 1,950	\$ 1,950
Canada Arts Presentation Fund	125	125
Canada Cultural Spaces Fund	70	-
Other government grants	312	375
	<u>\$ 2,457</u>	<u>\$ 2,450</u>

Note 16 Investment Earnings

	2016	2015
Total investment earnings	\$ 877	\$ 6,108
Amount recognized as direct increase in net assets	(773)	(5,959)
Drawdown of distributed endowment investment earnings included in deferred contributions	763	787
	<u>\$ 867</u>	<u>\$ 936</u>

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 17 Salaries and Employee Benefits

The salaries and employee benefit expenses of the Centre include:

	2016	2015
Salaries, wages and non-pension benefits	\$ 33,608	\$ 31,238
Pension benefits	2,463	2,264
	<u>\$ 36,071</u>	<u>\$ 33,502</u>

The salaries and benefits of the Board of Governors and senior management are as follows:

	2016				2015	
	Base	Other	Other	Total	Total	
	Salaries	Cash Benefits (1)	Non-cash Benefits (2)			
Board of Governors (3)	\$ -	\$ -	\$ -	\$ -	\$ -	
President (4)	295	-	111	406	18	
Interim President	-	-	-	-	94	
Past President (4)	-	-	-	-	162	
Vice-Presidents:						
Arts	167	5	41	213	204	
Leadership	183	119	40	342	183	
Finance	55	-	12	67	-	
Finance (former)	29	98	38	165	217	
Development	152	17	27	196	-	
Operations	167	22	30	219	211	
	<u>\$ 1,048</u>	<u>\$ 261</u>	<u>\$ 299</u>	<u>\$ 1,608</u>	<u>\$ 1,089</u>	

- (1) other cash benefits include earnings such as vacation payouts, bonuses, housing allowances and other lump sum amounts, including retirement and severance payments
- (2) other non-cash benefits include the Centre's share of all employee benefits and payments made on behalf of employees including pension, administrative and retirement leave, health care, life insurance and disability plans, tuition benefits, taxable travel and other benefits for the use of Banff Centre residences, vehicles and services
- (3) the Chair and members of the Board of Governors receive no remuneration for their services
- (4) the President receives administrative leave benefits that have been included in other non-cash benefits

THE BANFF CENTRE
Notes to the Consolidated Financial Statements
For the year ended March 31, 2016
(tabular amounts in thousands of dollars)

Note 18 Budget

Budgeted amounts have been provided for comparative purposes and are derived from the Centre's Comprehensive Institutional Plan as approved by the Board of Governors.

Note 19 Expense By Object

	2016		2015
	Budget	Actual	Actual
Salaries, wages and benefits (note 17)	\$ 35,150	\$ 36,071	\$ 33,502
Purchased services	5,363	5,753	5,125
Materials, goods and supplies	4,070	4,221	4,084
Scholarships and financial assistance	2,850	2,394	2,791
Facility operations and maintenance	3,301	2,855	3,263
Utilities	1,857	1,484	1,667
Travel, training and related costs	1,758	2,140	2,179
Rentals and equipment	626	1,435	1,622
Marketing and recruitment	851	1,093	819
Financial costs	444	618	845
Amortization of capital assets (note 7)	6,178	5,881	5,921
Loss on disposal of capital assets	-	259	-
	<u>\$ 62,448</u>	<u>\$ 64,204</u>	<u>\$ 61,818</u>

Scholarships and financial assistance include payments to resident artists and program participants for tuition, fees, accommodations and other program related costs.

Note 20 Comparative Figures

Certain comparative figures have been reclassified to conform to the financial statement presentation adopted in the current year.

Governance

Board of Governors

(During the period: 1 April 2015 – 31 March 2016)

Robert D. Walker, Acting Chair
Janice Price, President and Chief Executive Officer
Larry Fichtner
Joan Forge
Asim Ghosh
Christopher Hilbert
Elmer Hildebrand
Evaleen Jaeger Roy
Andy Kenins
Judith LaRocque
Leroy Little Bear, JD
Anne Lockwood
Brenda Mackie, Chair
Ralston E. MacDonnell
Trina McQueen
Gay Mitchell
Andrew Molson
Susan Peterson
Joseph Shlesinger

Executive Officers

(During the period: 1 April 2015 – 31 March 2016)

Janice Price, President and Chief Executive Officer
Dan Buchner, Vice-President, Leadership
Bruce Byford, Vice-President, Chief Financial Officer
Neil Johnston, Vice-President, Development
Carolyn Warren, Vice-President, Arts
Luke Sunderland, Vice-President and Chief Operating Officer



Banff Centre for Arts and Creativity

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